



HOME OF THE FUTURE

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by

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www.nahb.org

Demographic Changes

Exhibit 1
Projected Population of the US, By Race and Hispanic Origin

	2000	2010	2015
Population <i>(in thousands)</i>	282,125	308,936	322,371
Percent of Total Population			
White alone, <i>not Hispanic</i>	69.4%	65.1%	63.2%
Hispanic <i>(of any race)</i>	12.6	15.5	16.6
Black alone	12.7	13.1	13.3
Asian alone	3.8	4.6	5.0
All other races	2.5	3.0	3.2

Source: U.S. Census Bureau. Compiled by NAHB Economics Group.

Exhibit 2
Projected Population Change in the US, By Race and Hispanic Origin

	2000-2010	2010-2020
Numerical Change (<i>in thousands</i>)	26,811	26,869
	<i>Percent Change</i>	
White alone, <i>not Hispanic</i>	2.8%	2.4%
Hispanic (<i>of any race</i>)	34.1	25.1
Black alone	12.9	12.1
Asian alone	33.3	26.3
All other races	30.7	27.9

Source: U.S. Census Bureau. Compiled by NAHB Economics Group.

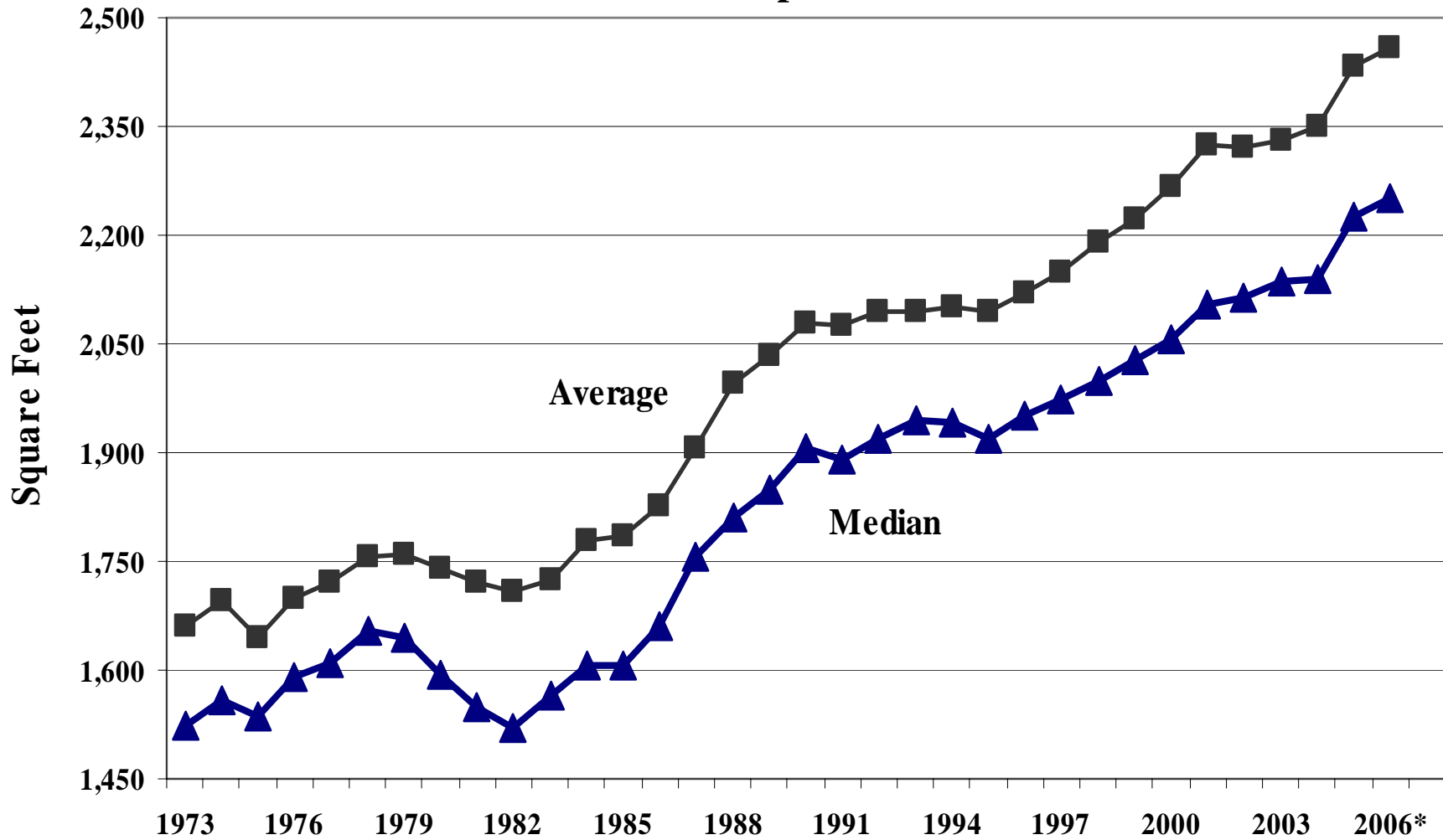
Exhibit 3
Number Per Households By Type, Race and Hispanic Origin:
1995 to 2015

	Average Number of Persons Per Household				
Year	TOTAL	WHITE	BLACK	ASIAN AND PACIFIC ISLANDER	HISPANIC ORIGIN (<i>of any race</i>)
1995	2.62	2.56	2.85	3.52	3.58
2000	2.61	2.54	2.81	3.50	3.51
2005	2.59	2.52	2.77	3.49	3.46
2010	2.56	2.49	2.74	3.47	3.41
2015	2.52	2.46	2.71	3.45	3.36

Source: U.S. Census Bureau. Compiled by NAHB Economics Group.

Changing New Homes

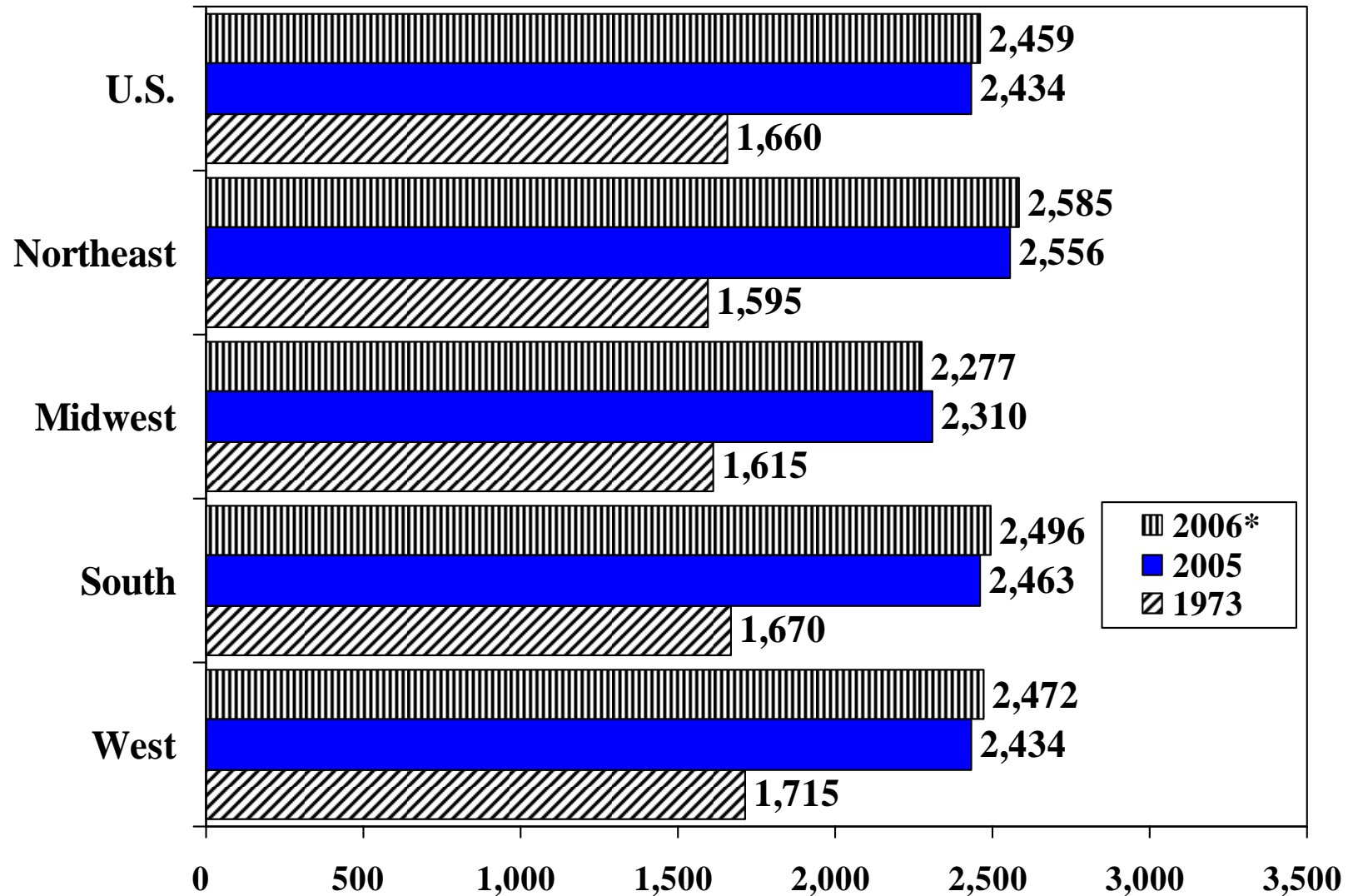
Exhibit 4 Median and Average Square Feet of Floor Area in Single Family Homes Completed



Source: US Census Bureau. Compiled by NAHB Economics

(*) Based on the first three quarters of 2006

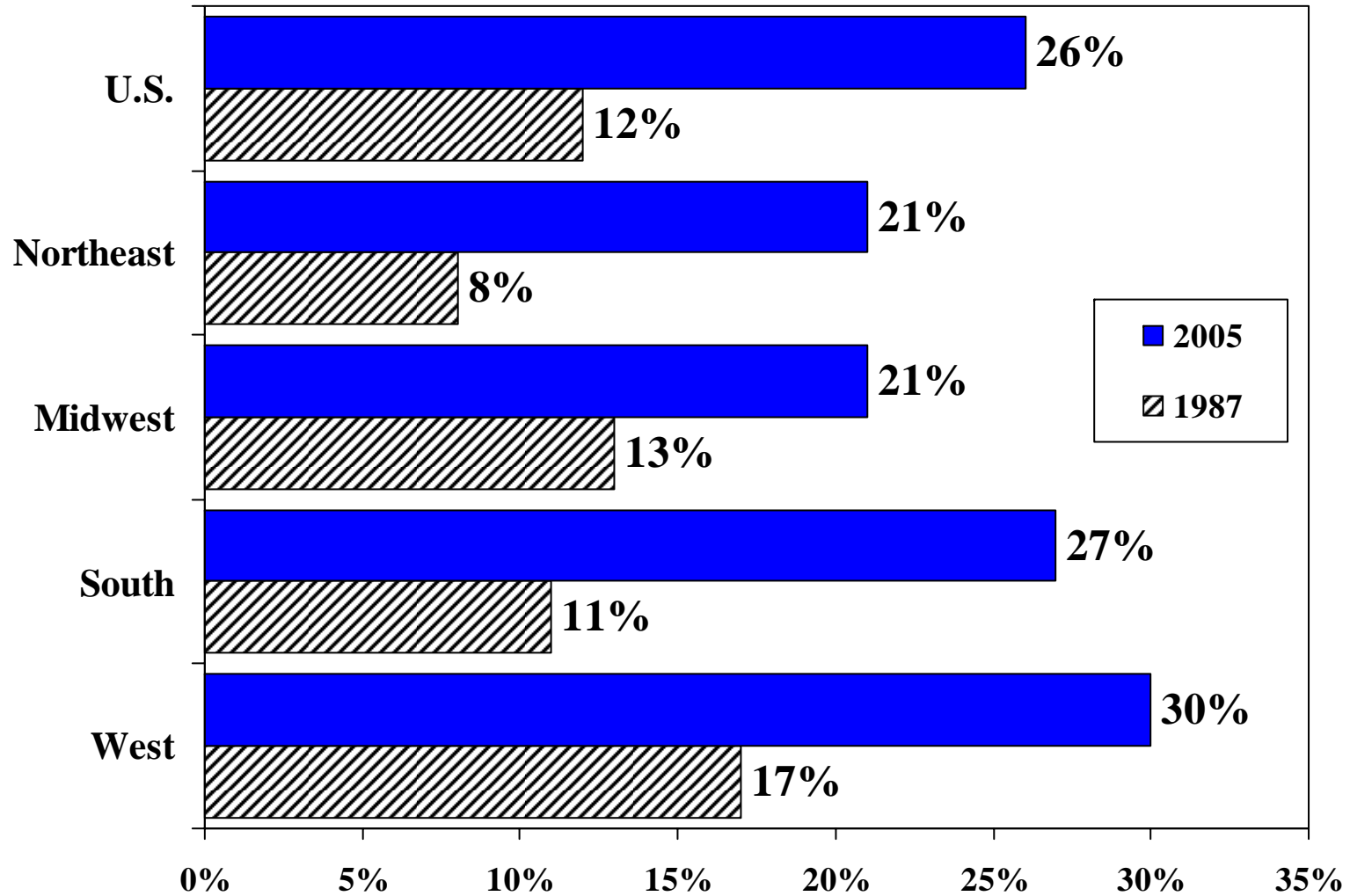
Exhibit 5
Average Square Feet of Floor Area in Single Family Homes Completed



Source: US Census Bureau. Compiled by NAHB Economics

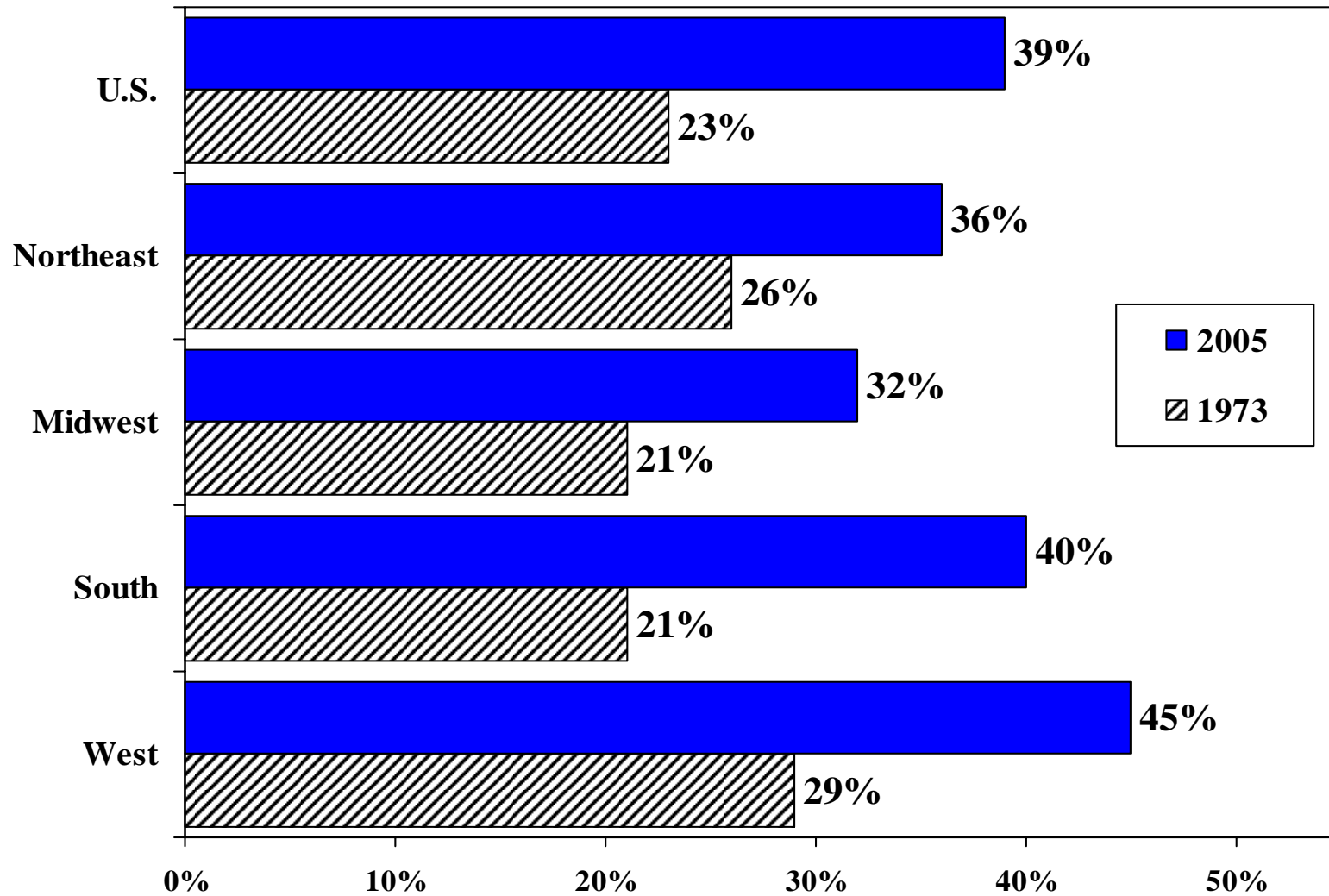
(*) Based on the first three quarter of 2006

Exhibit 6
Single Family Homes Completed with 3 Bathrooms or More



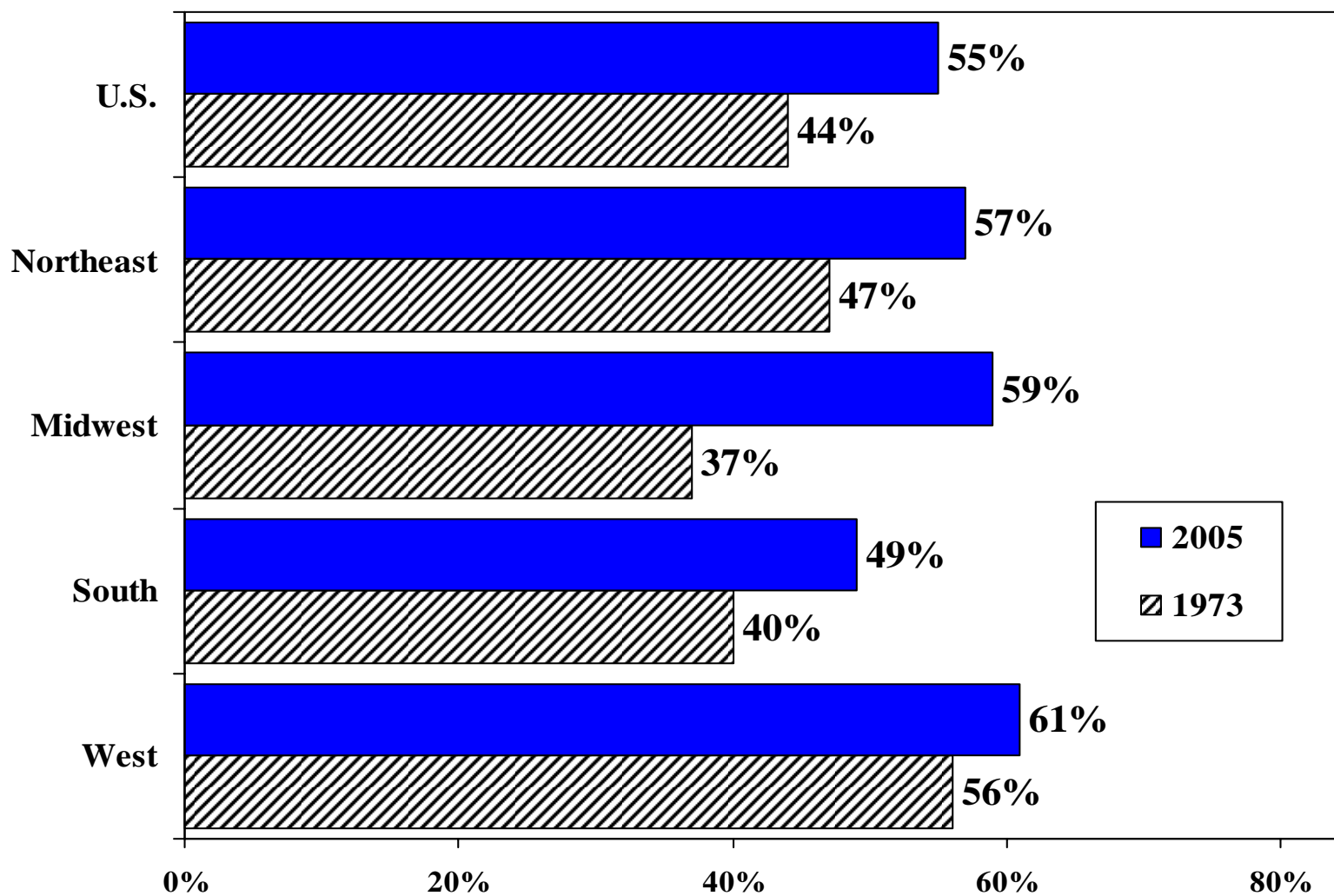
Source: US Census Bureau, Characteristics of New Housing. Compiled by NAHB Economics

Exhibit 7
Single Family Homes Completed with 4 Bedrooms or More



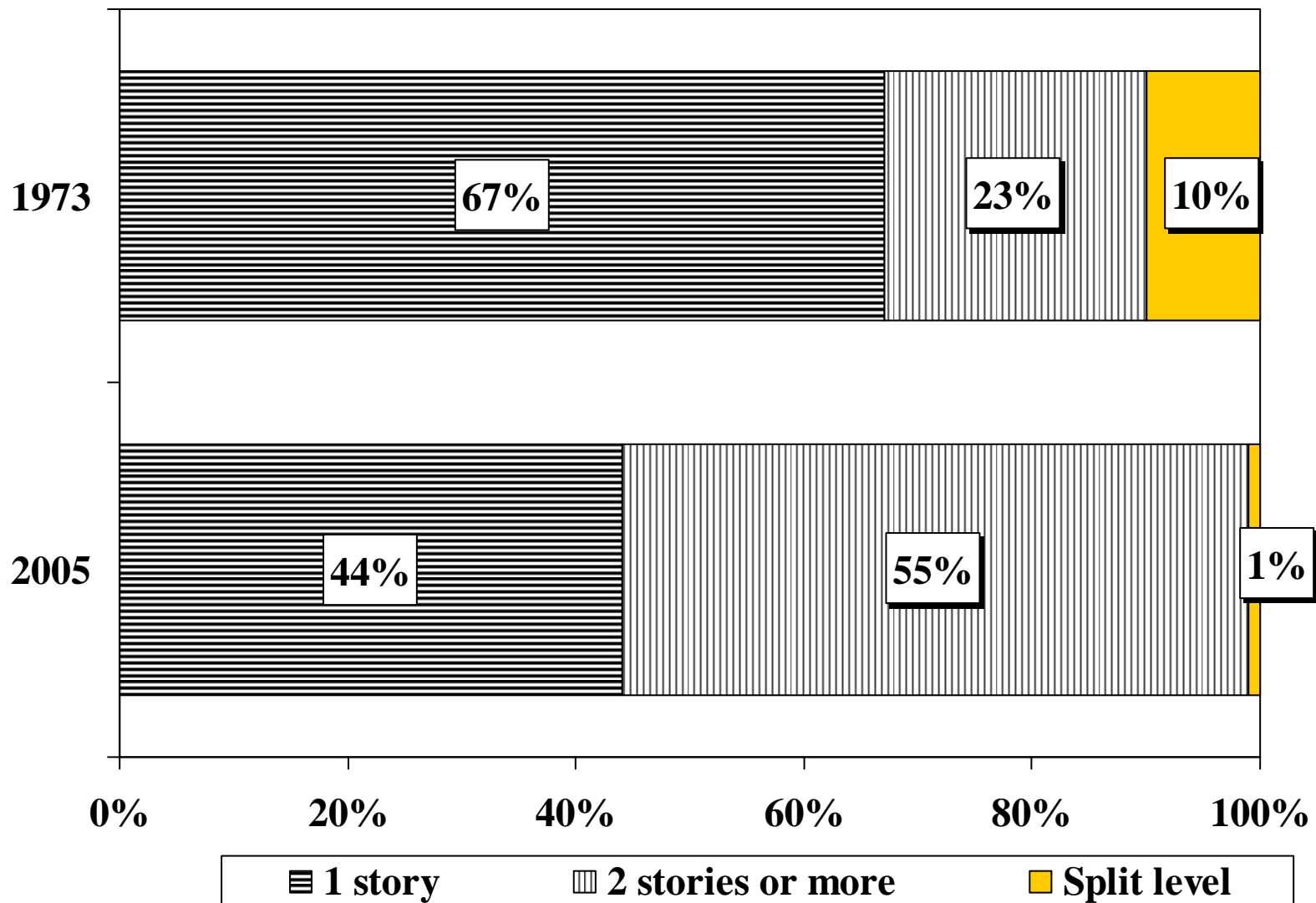
Source: US Census Bureau, Characteristics of New Housing. Compiled by NAHB Economics

Exhibit 8
Single Family Homes Completed with One or More Fireplace



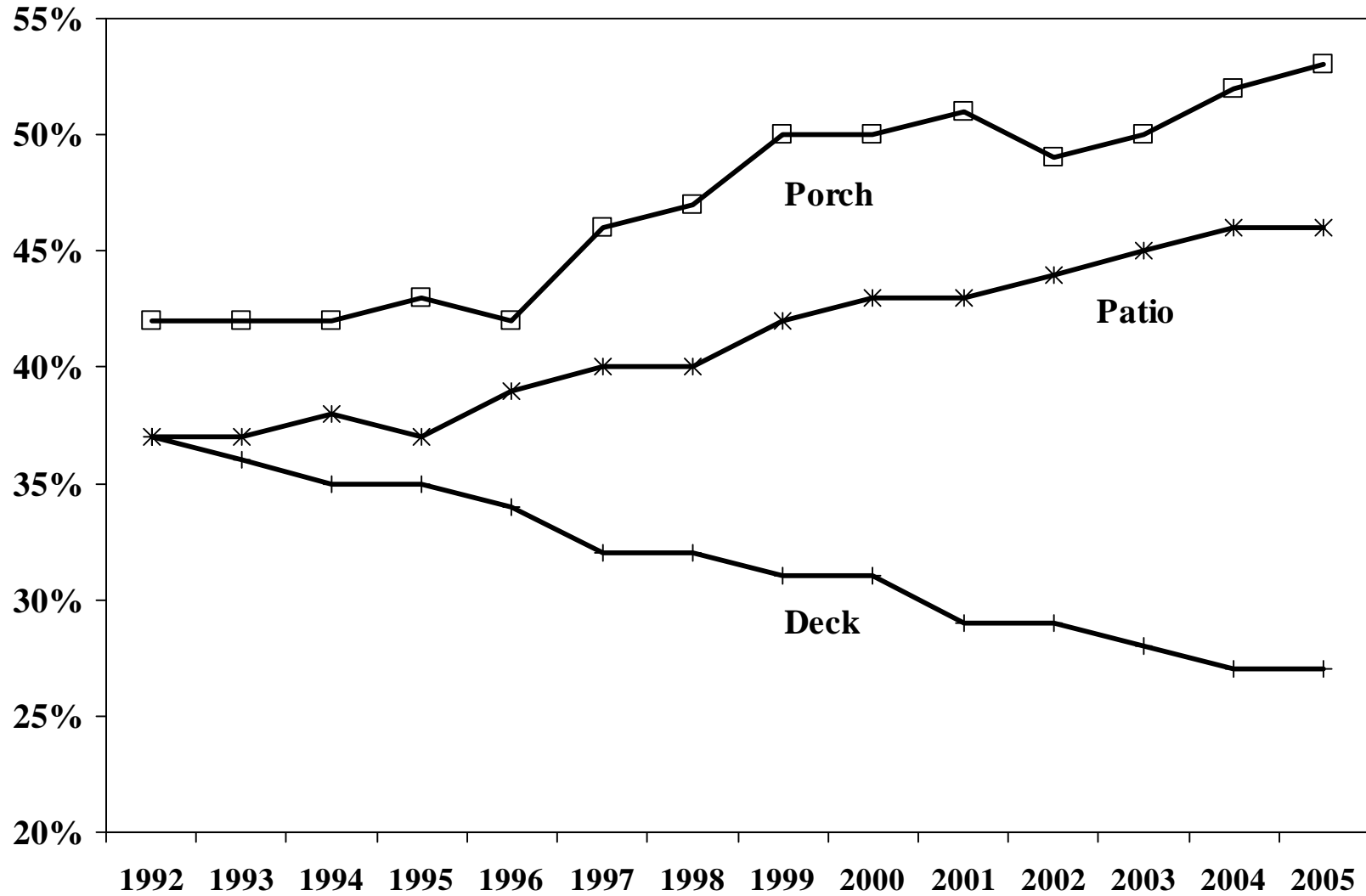
Source: US Census Bureau, Characteristics of New Housing. Compiled by NAHB Economics

Exhibit 9 Number of Stories in Single Family Homes Completed



Source: US Census Bureau, *Characteristics of New Housing*. Compiled by NAHB Economics

Exhibit 10 Single Family Homes Completed With Outdoor Features

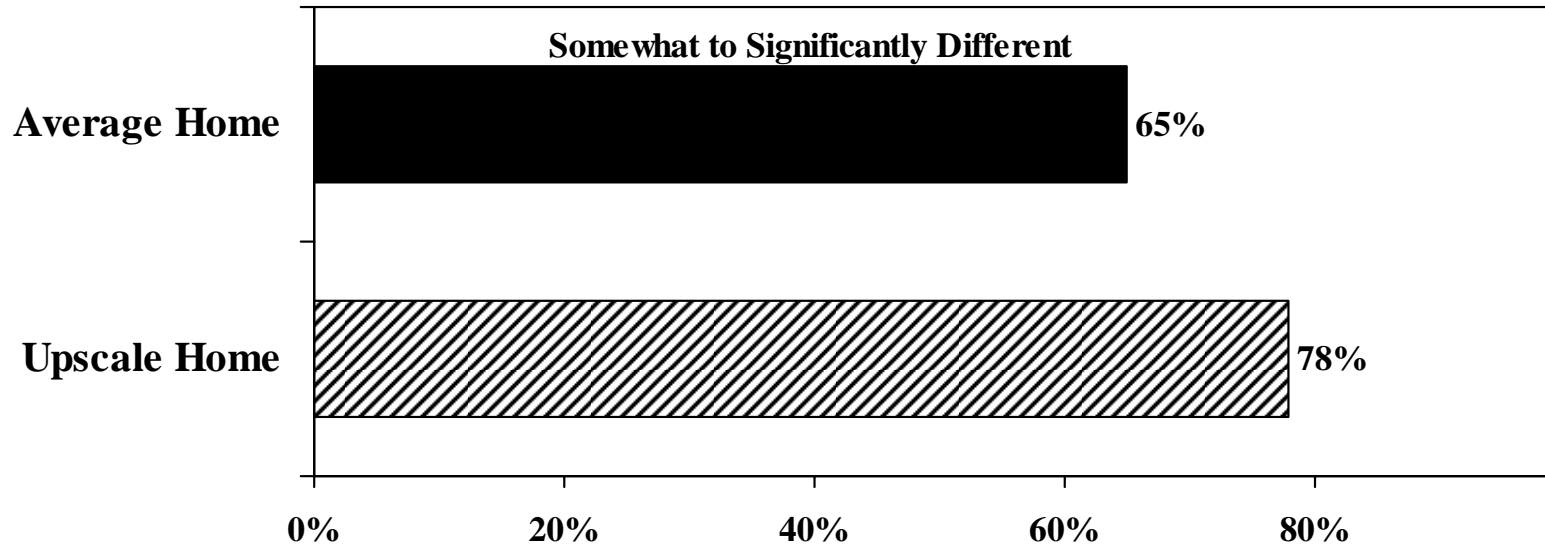


Source: US Census Bureau, *Characteristics of New Housing*. Compiled by NAHB Economics

HOME OF THE FUTURE

**HOME OF THE FUTURE REPORT IS
BASED ON 60 INTERVIEWS WITH
ARCHITECTS, DESIGNERS,
MANUFACTURERS AND MARKETING
EXPERTS AND ALSO ON RESPONSES TO
AN EXTENSIVE SURVEY
QUESTIONNAIRE SENT TO A SELECTED
SAMPLE OF ARCHITECTS, DESIGNERS,
MANUFACTURERS AND MARKETING
EXPERTS**

Exhibit 11
INSIDE OF THE HOME BY 2015



OUTSIDE OF THE HOME BY 2015

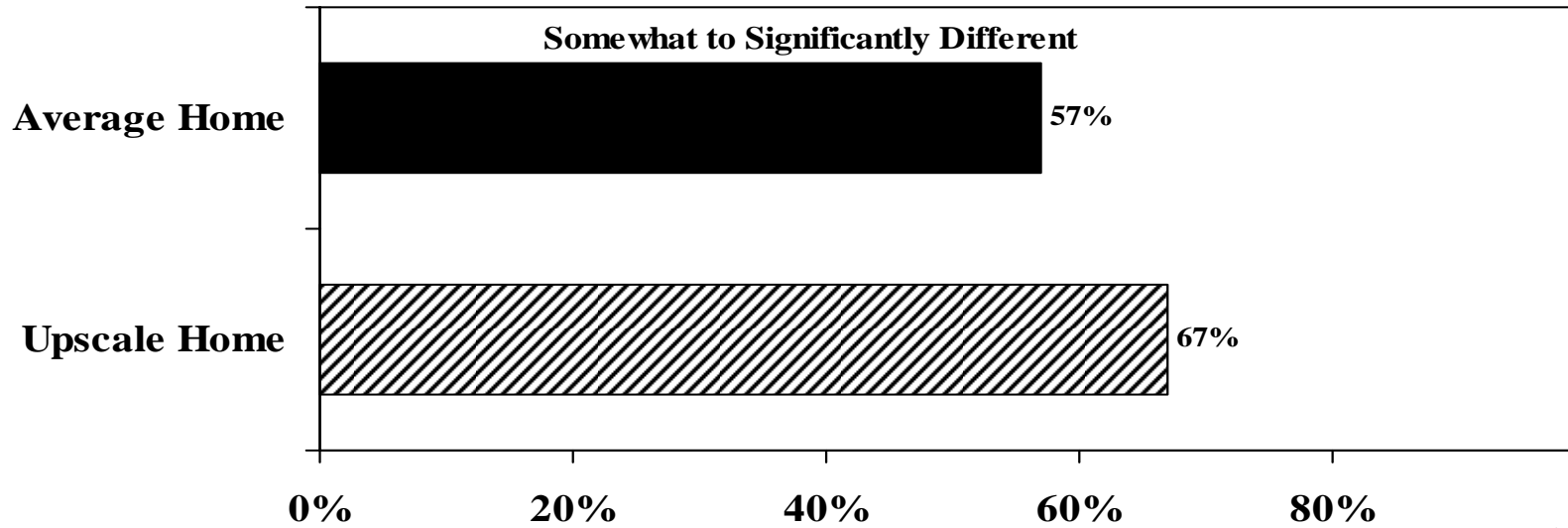


Exhibit 12

Will Changes to Homes in the Next Decade Be More Significant/Greater than in the Past 10 Years?



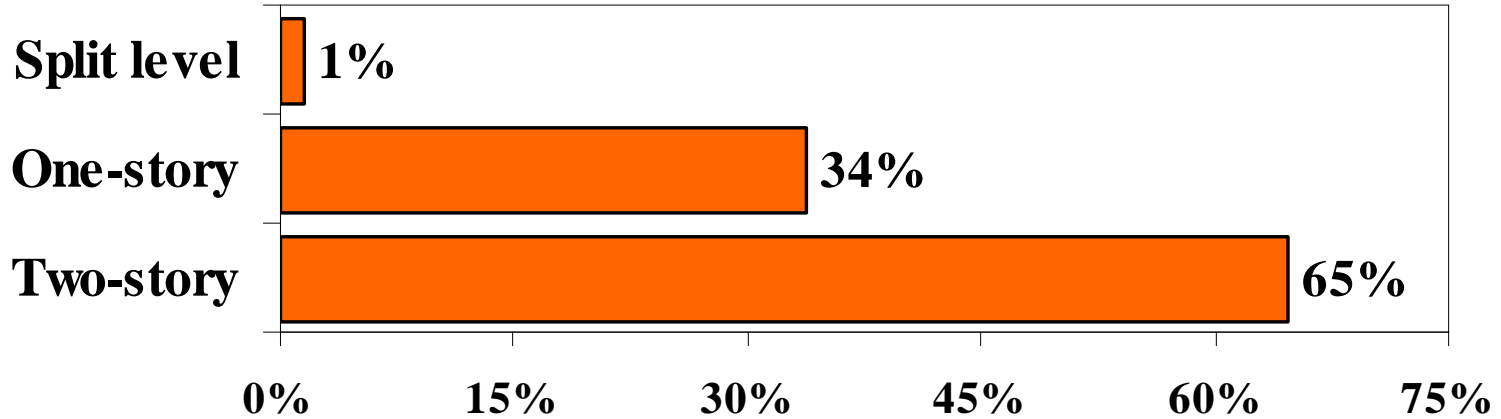
Comments

- Accessibility issues
- Emphasis on technology
- Greener Construction materials
- Changing demographics, Aging population and growing environmental concerns will continue to cause more changes.

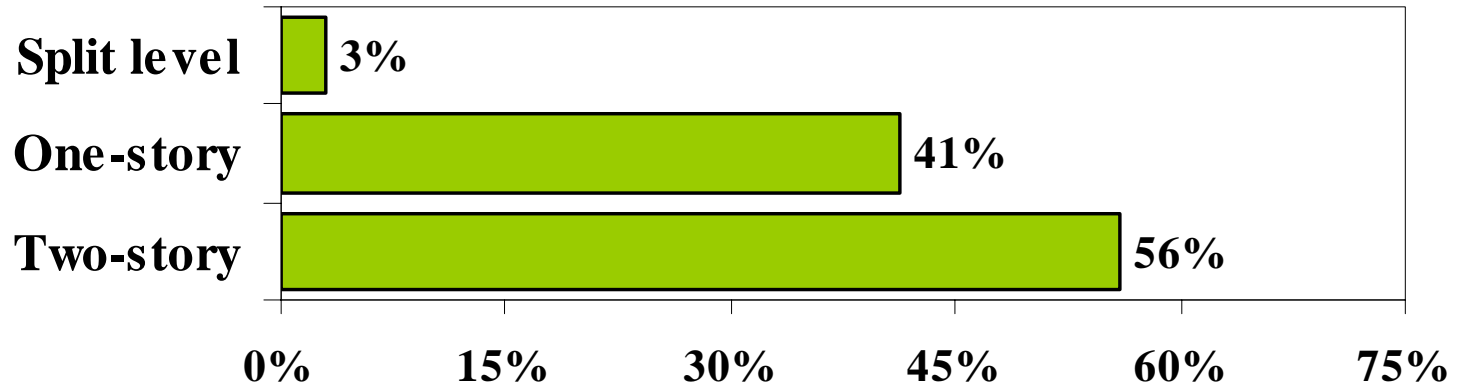
Exhibit 13

*Compared to Today, Type of Housing Design More Commonly Built in 2015
(Percent of Respondents)*

Average Home



Upscale Home



2005 Census Data:	Split level	*
	One story	44%
	Two stories or more	55%

() Less than one percent.*

Exhibit 14
SIZE OF THE HOME

- **Average size of new single-family home in 2005:**

2,434 square feet

- **Expected size of new single-family home in 2015:**

Average: 2,300 – 2,500 square feet

Median: 2,330 square feet

Exhibit 15a

Areas of the Home Likely to Increase, Decrease, or Stay the Same As a Share of Total Floor Area during the Next 10 Years

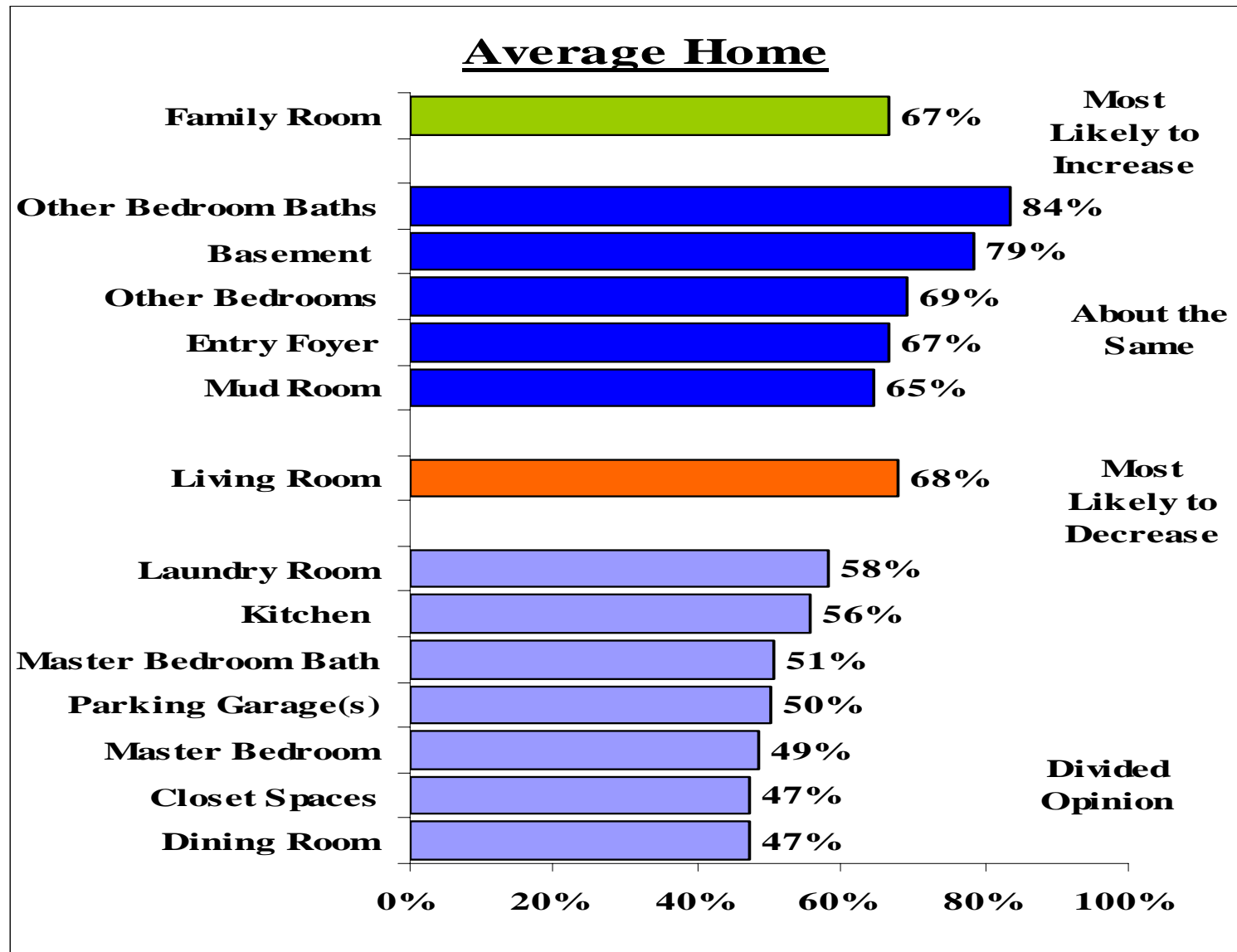


Exhibit 15b

Areas of the Home Likely to Increase, Decrease, or Stay the Same As a Share of Total Floor Area during the Next 10 Years

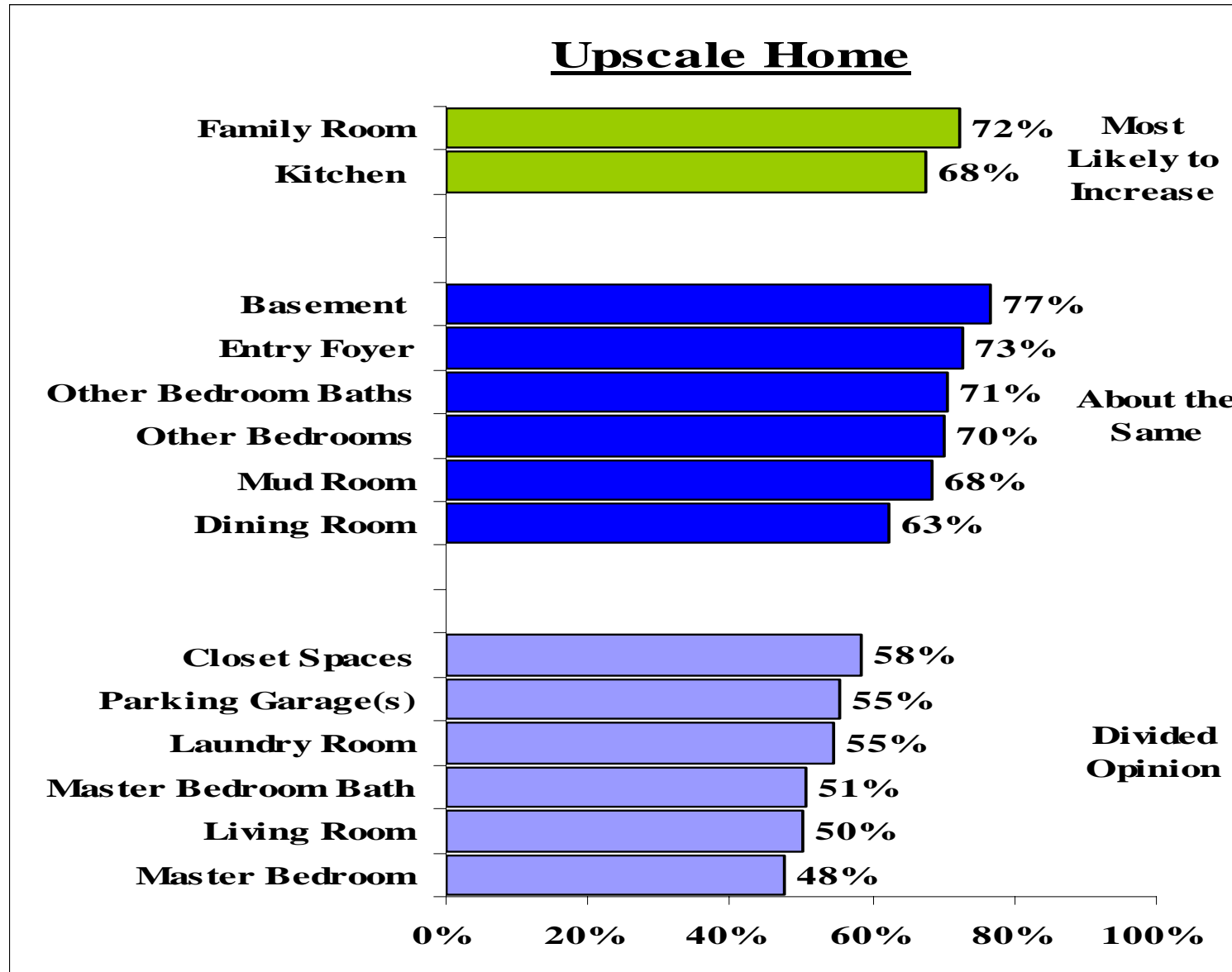


Exhibit 16
ENTRY FOYER
One Story vs. Two Story

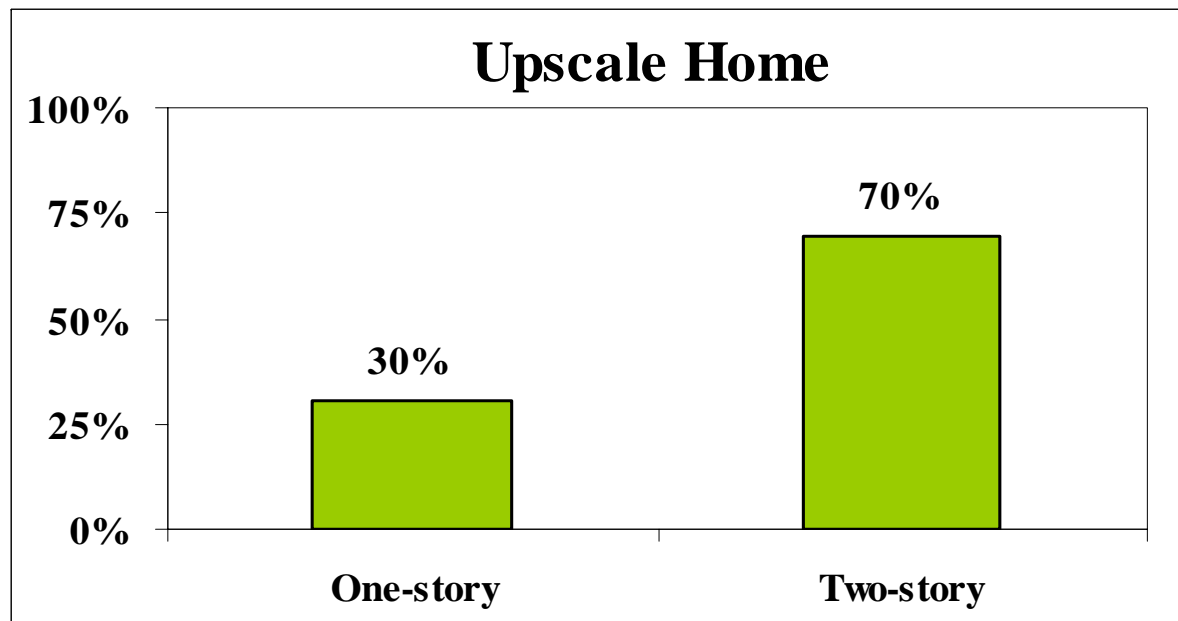
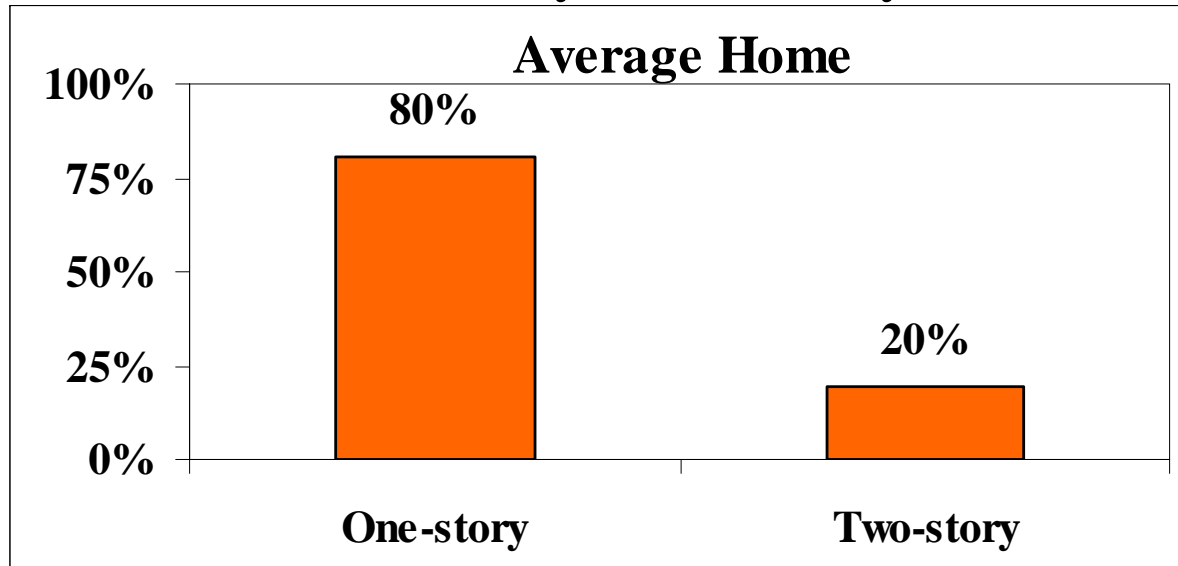


Exhibit 17
FAMILY ROOM
One Story vs. Two Story

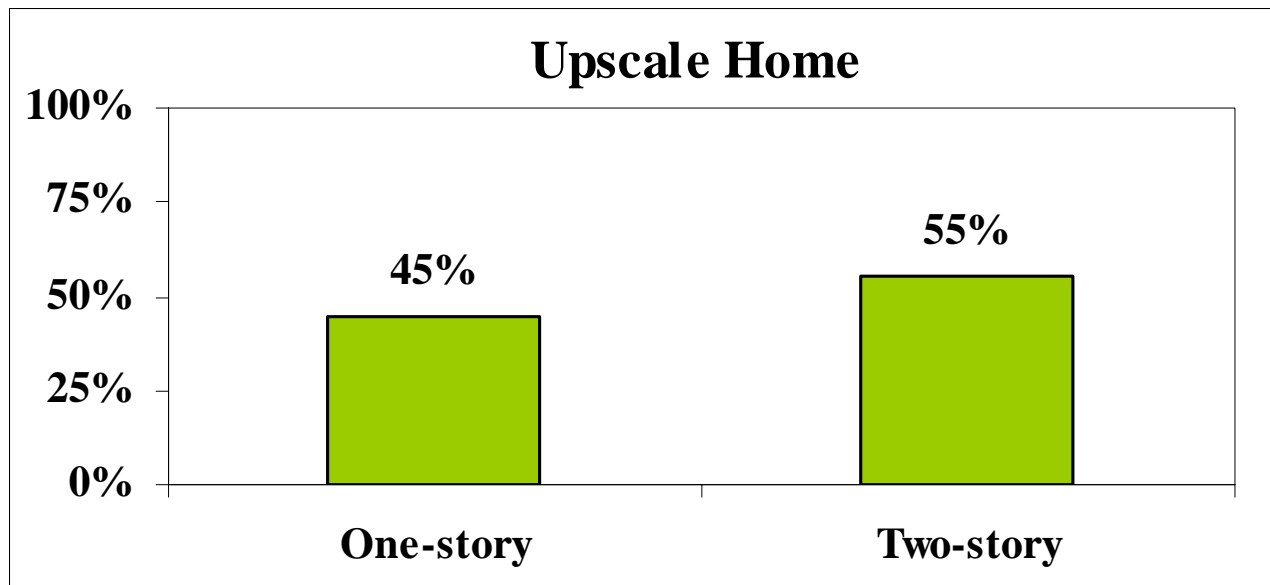
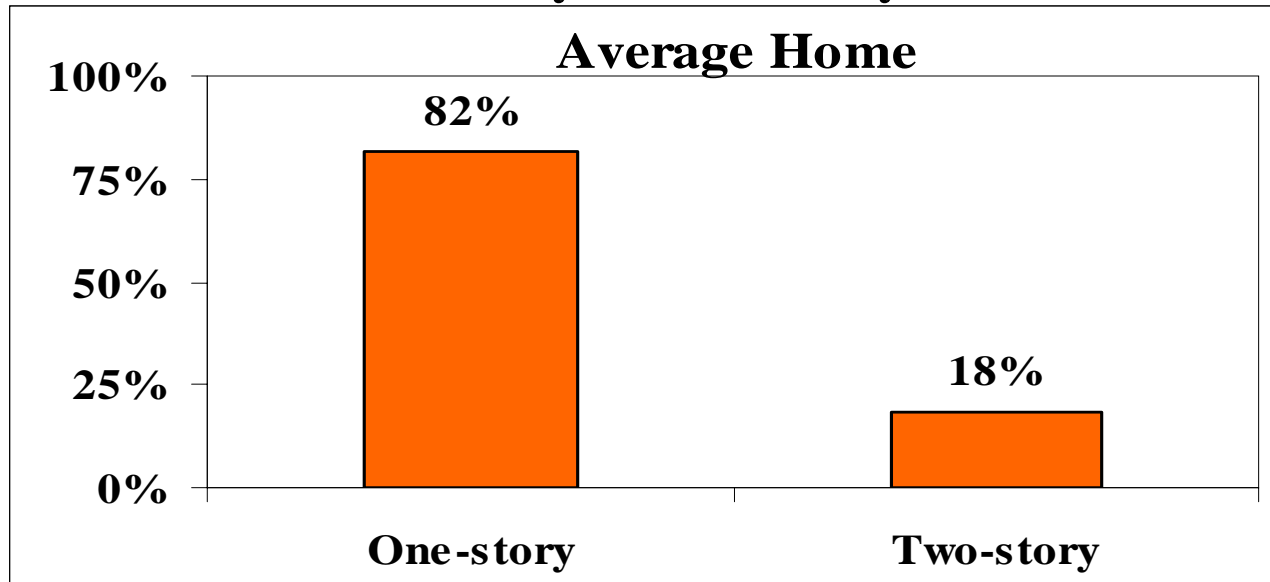


Exhibit 18 FUTURE OF LIVING ROOM

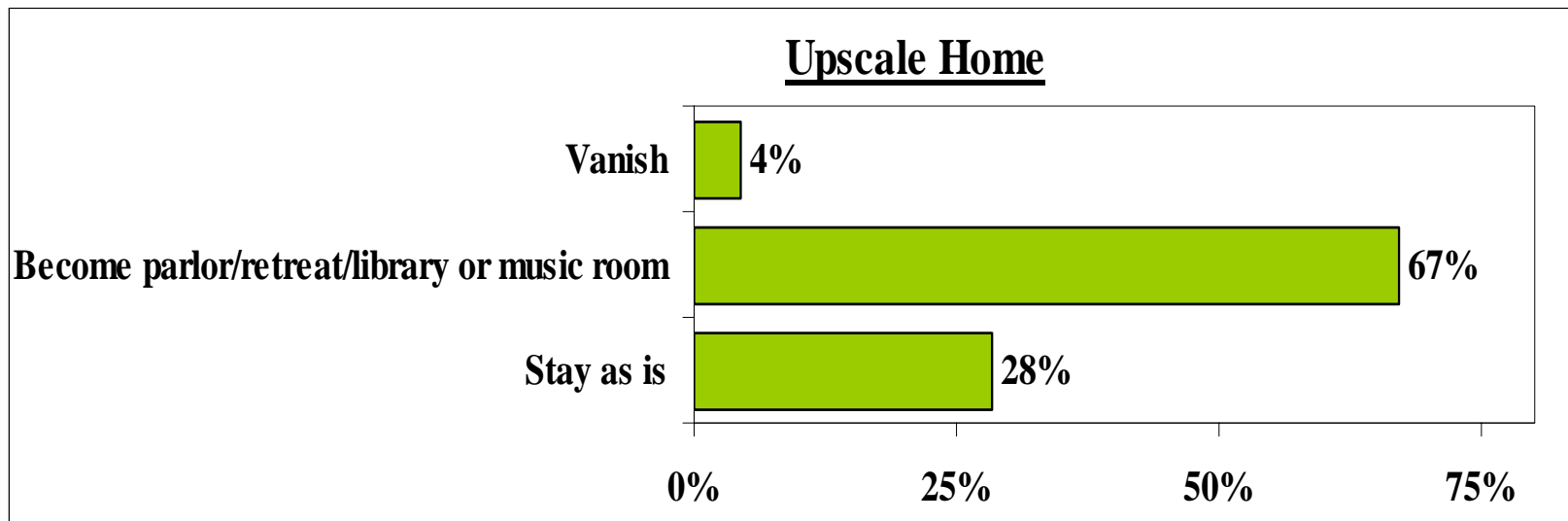
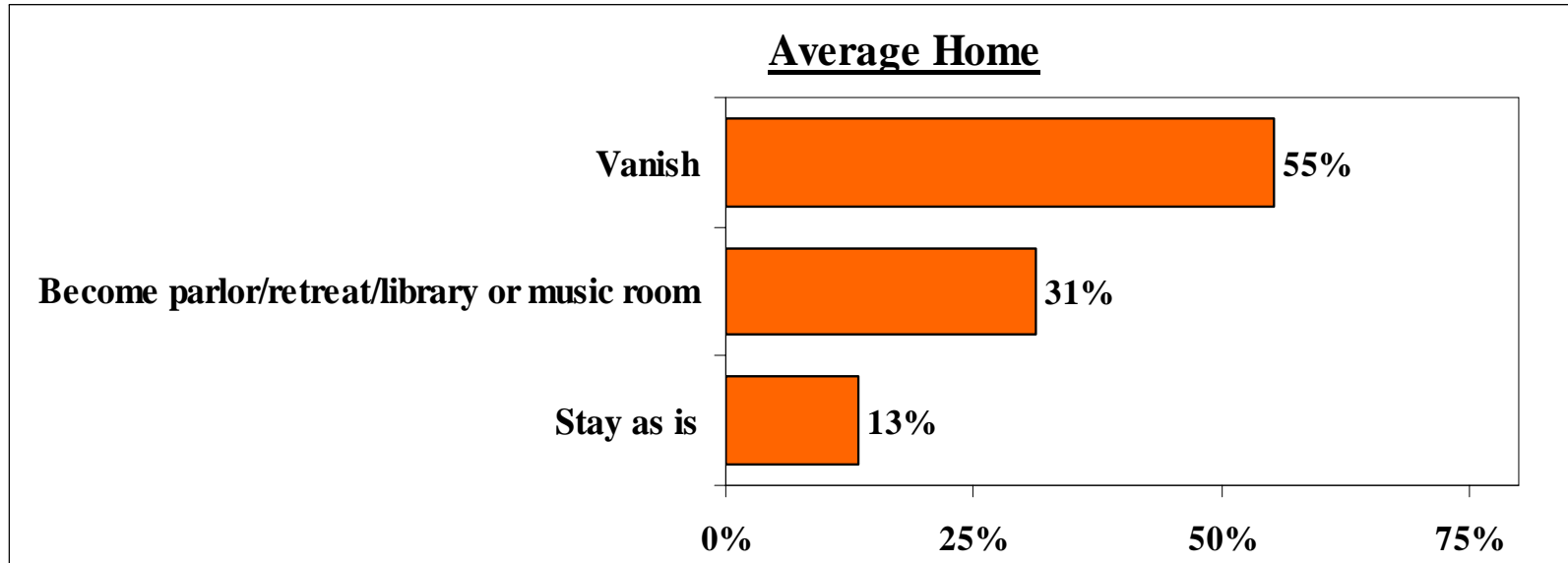


Exhibit 19a

Rating of Need for Items/Features in New Homes in Next 10 Years

Rating on a scale of 1 to 5, 1=Not at all critical, 5=Very Critical

Average Home

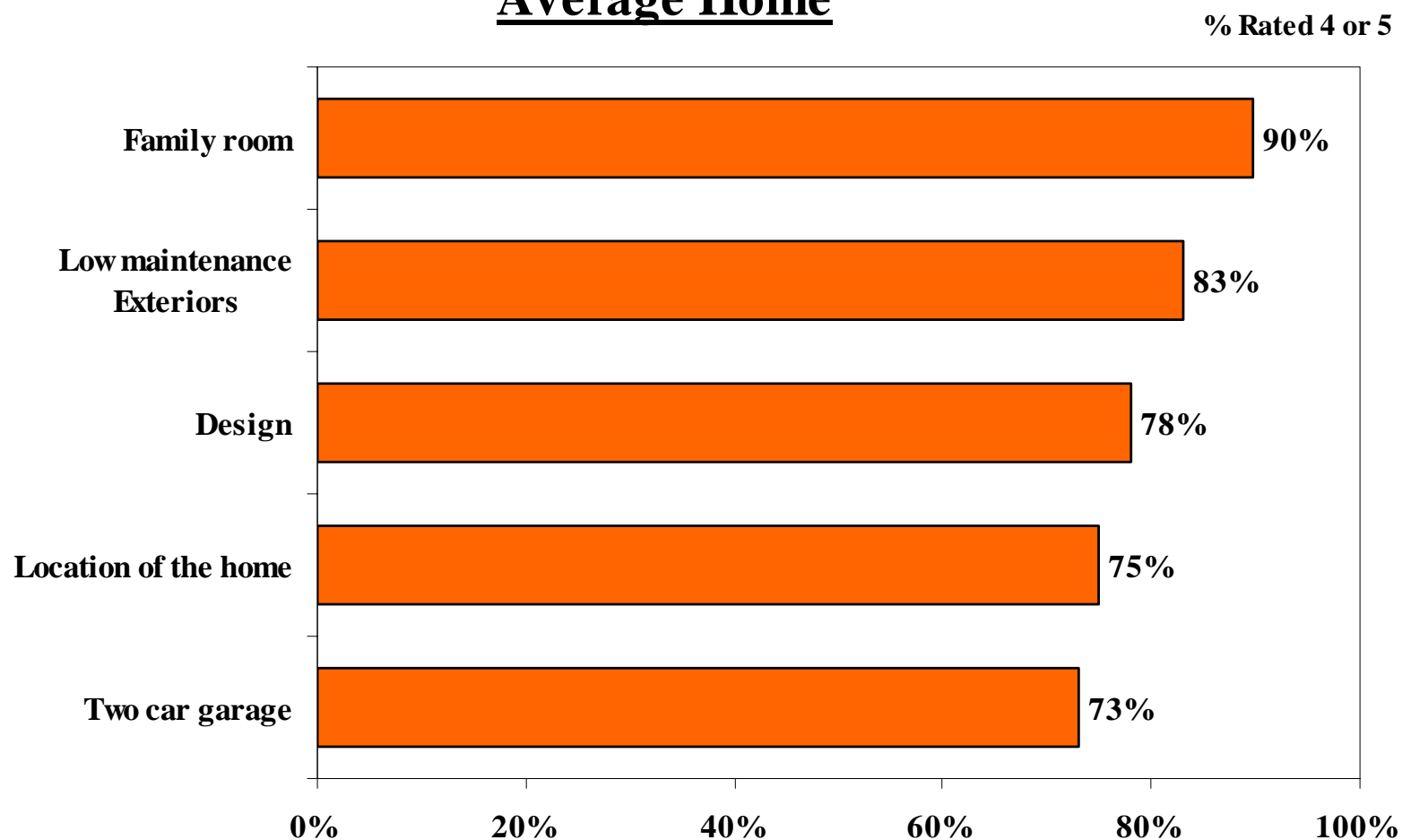


Exhibit 19b

Rating of Need for Items/Features in New Homes in Next 10 Years

Rating on a scale of 1 to 5, 1=Not at all critical, 5=Very Critical

Upscale Home

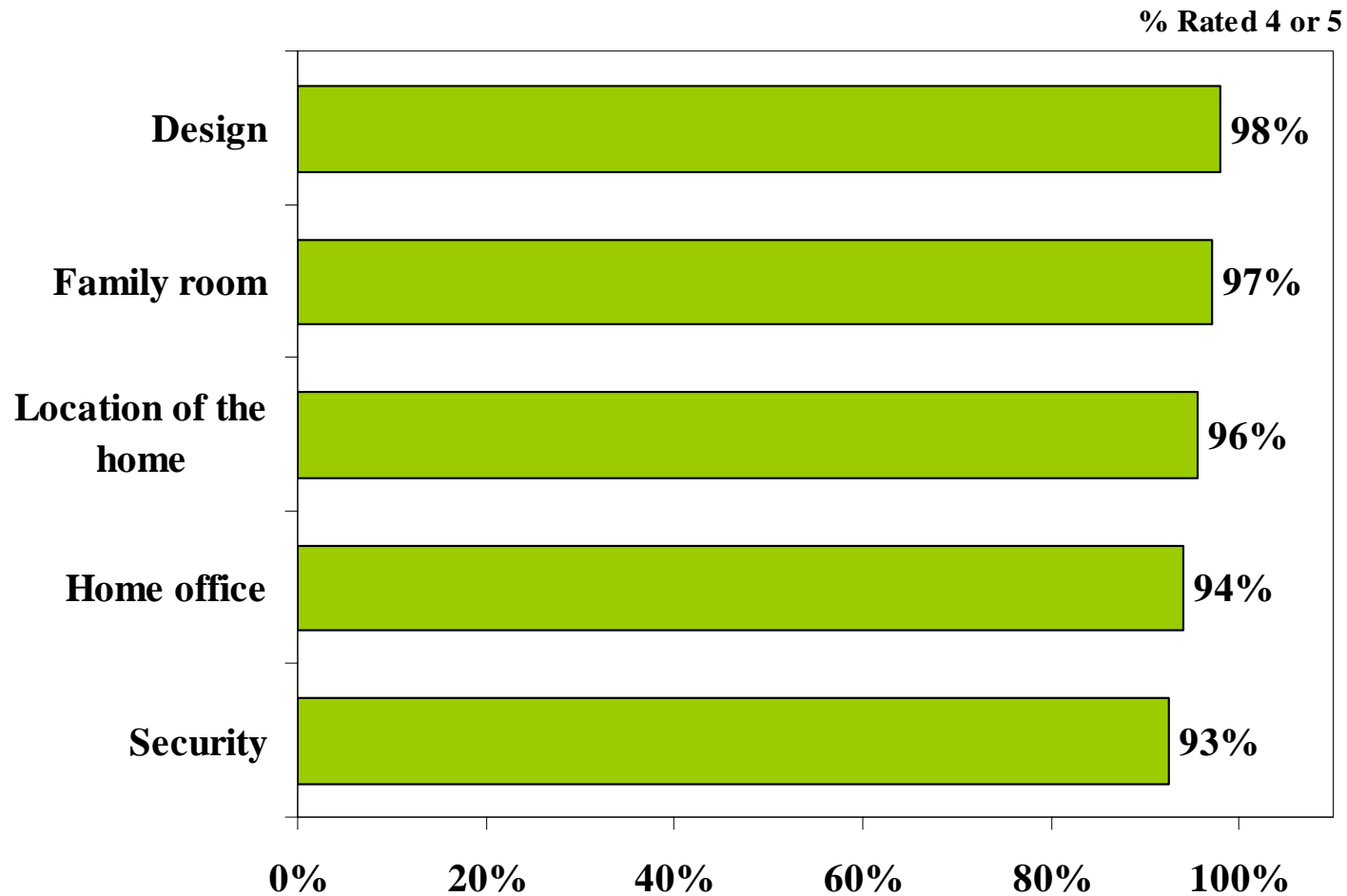


Exhibit 20
CEILING HEIGHT

- **Ceiling height in an average home has been rising for the past 10 years.**

- **By 2015, it is expected that most average homes will have 9' ceiling on the first floor and some may even have 10' ceiling.**

- **Upscale homes will have at least 10' standard ceiling (10' to 12' range) in entry level and a 9' standard ceiling on the second floor.**

Exhibit 21a

Importance of Amenities/Products in the **KITCHEN**

Rating on a scale of 1 to 5, 1=Not at all critical, 5=Very Critical

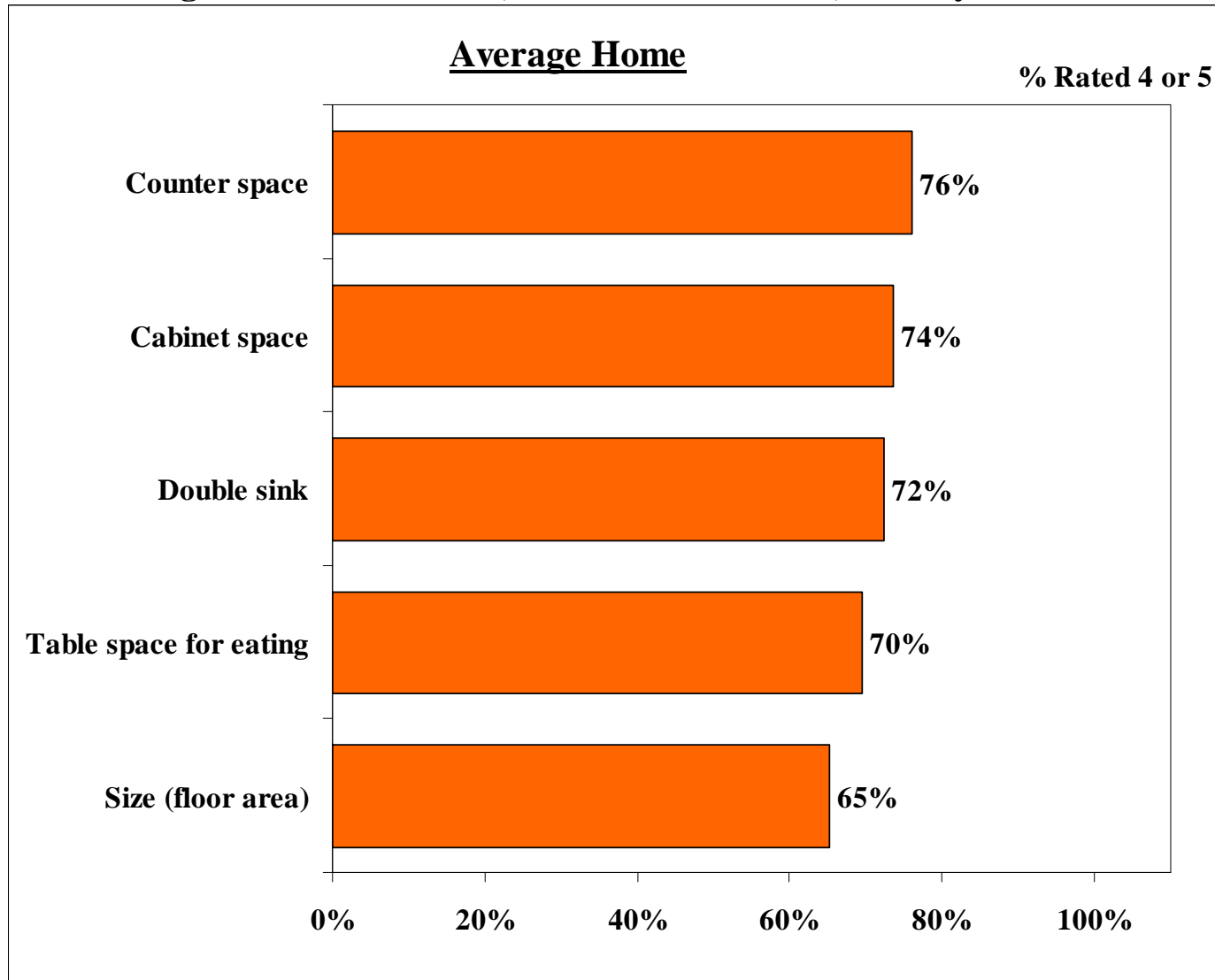


Exhibit 21b

Importance of Amenities/Products in the **KITCHEN**

Rating on a scale of 1 to 5, 1=Not at all critical, 5=Very Critical

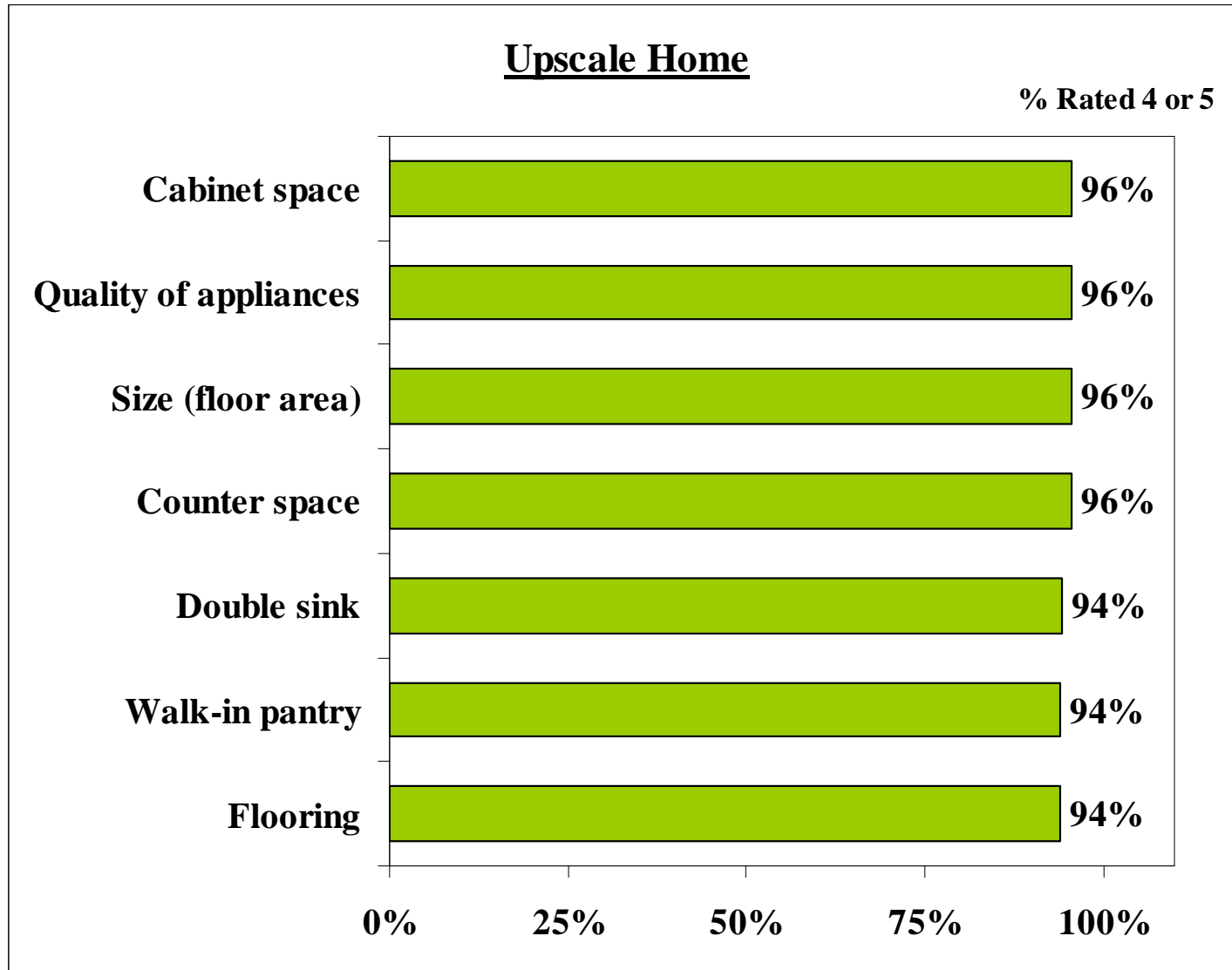


Exhibit 22a

Importance of Amenities/Products in the BATHROOM

Rating on a scale of 1 to 5, 1=Not at all critical, 5=Very Critical

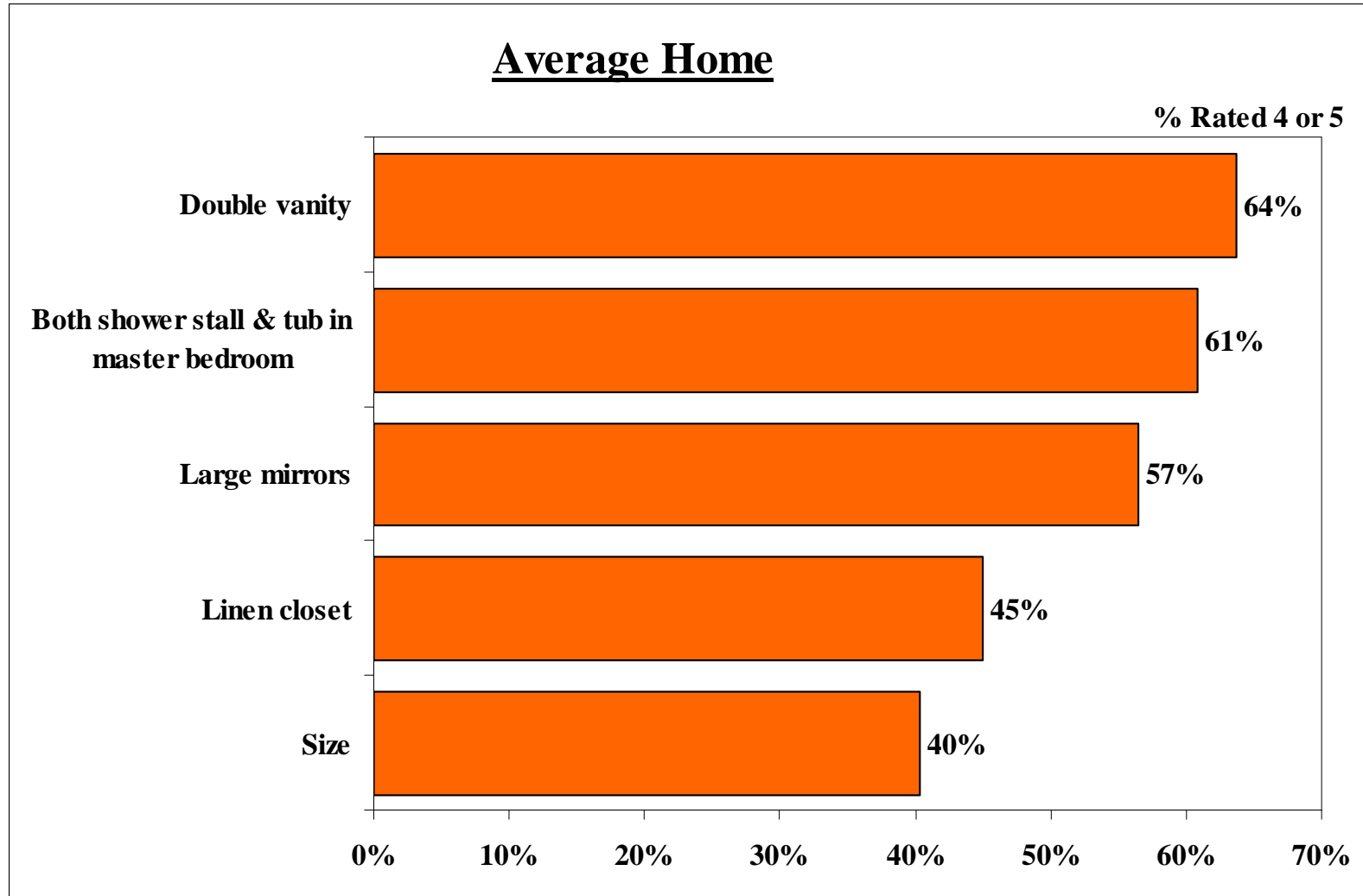


Exhibit 22b

Importance of Amenities/Products in the **BATHROOM**

Rating on a scale of 1 to 5, 1=Not at all critical, 5=Very Critical

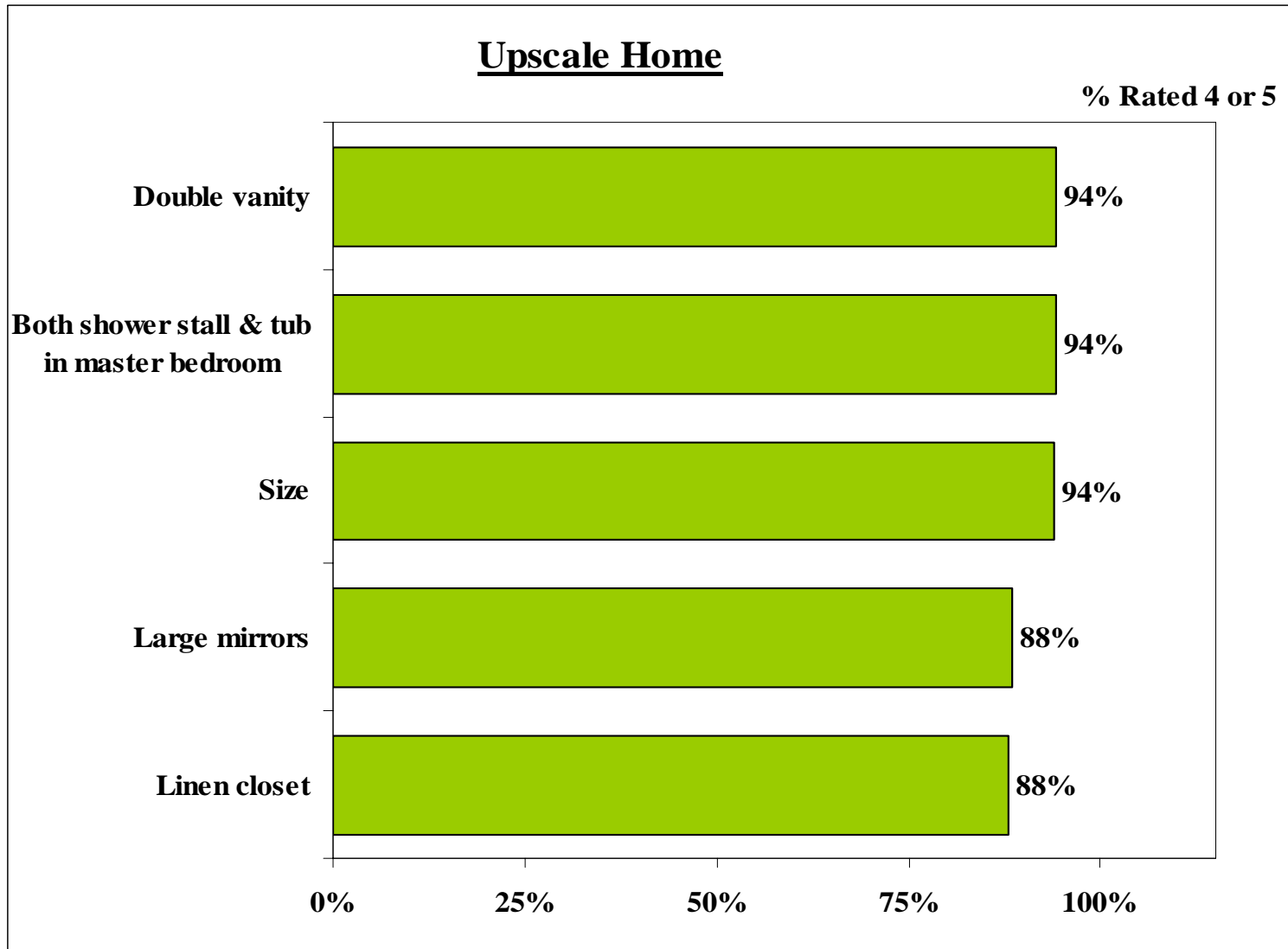


Exhibit 23

Demand for TWO MASTER BEDROOM SUITES by 2015

Rating on a scale of 1 to 5, 1= will decrease significantly, 5= will increase significantly

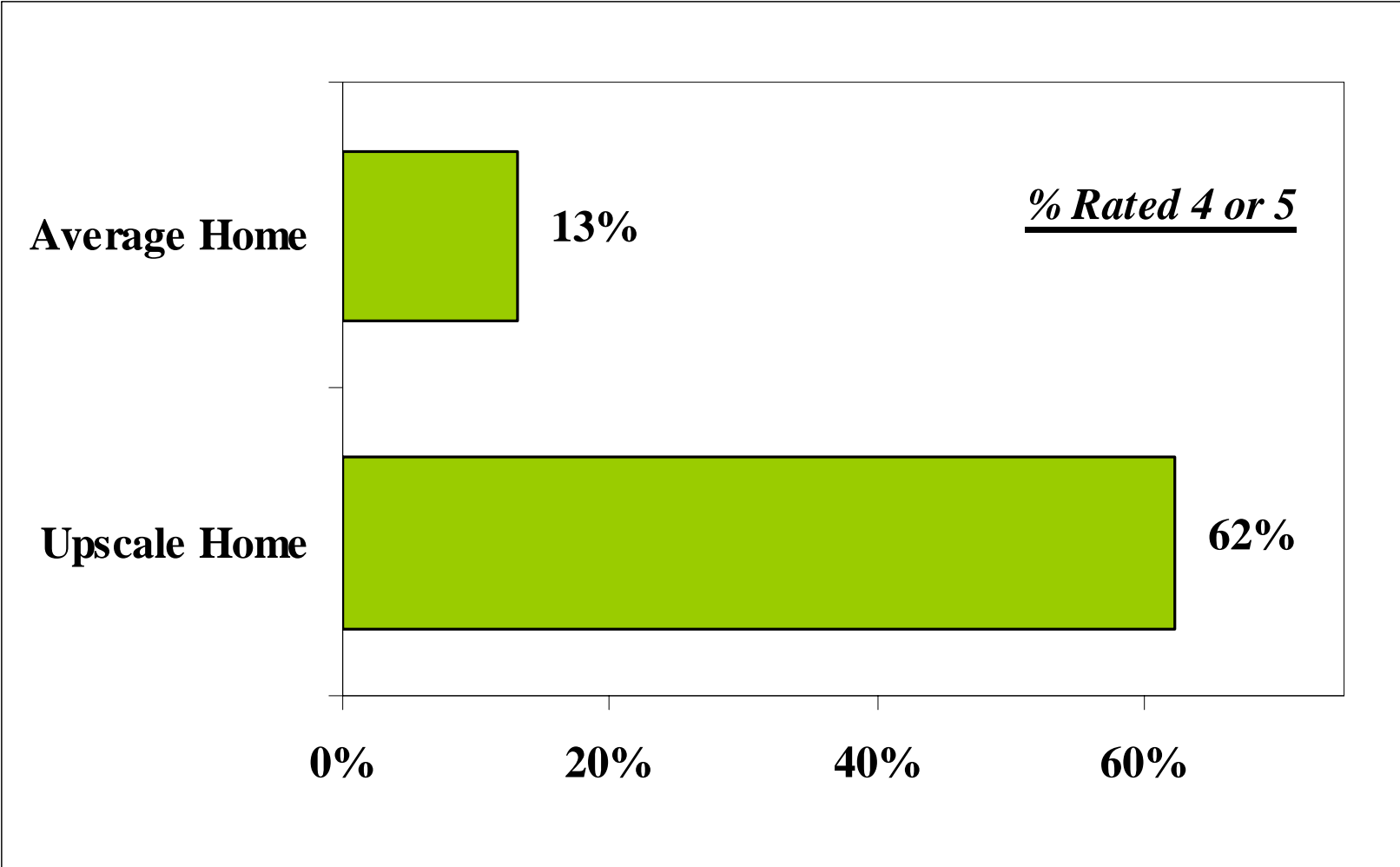


Exhibit 24

Demand for OUTSIDE KITCHEN

Rating on a scale of 1 to 5, 1= will not change, 5= will increase significantly

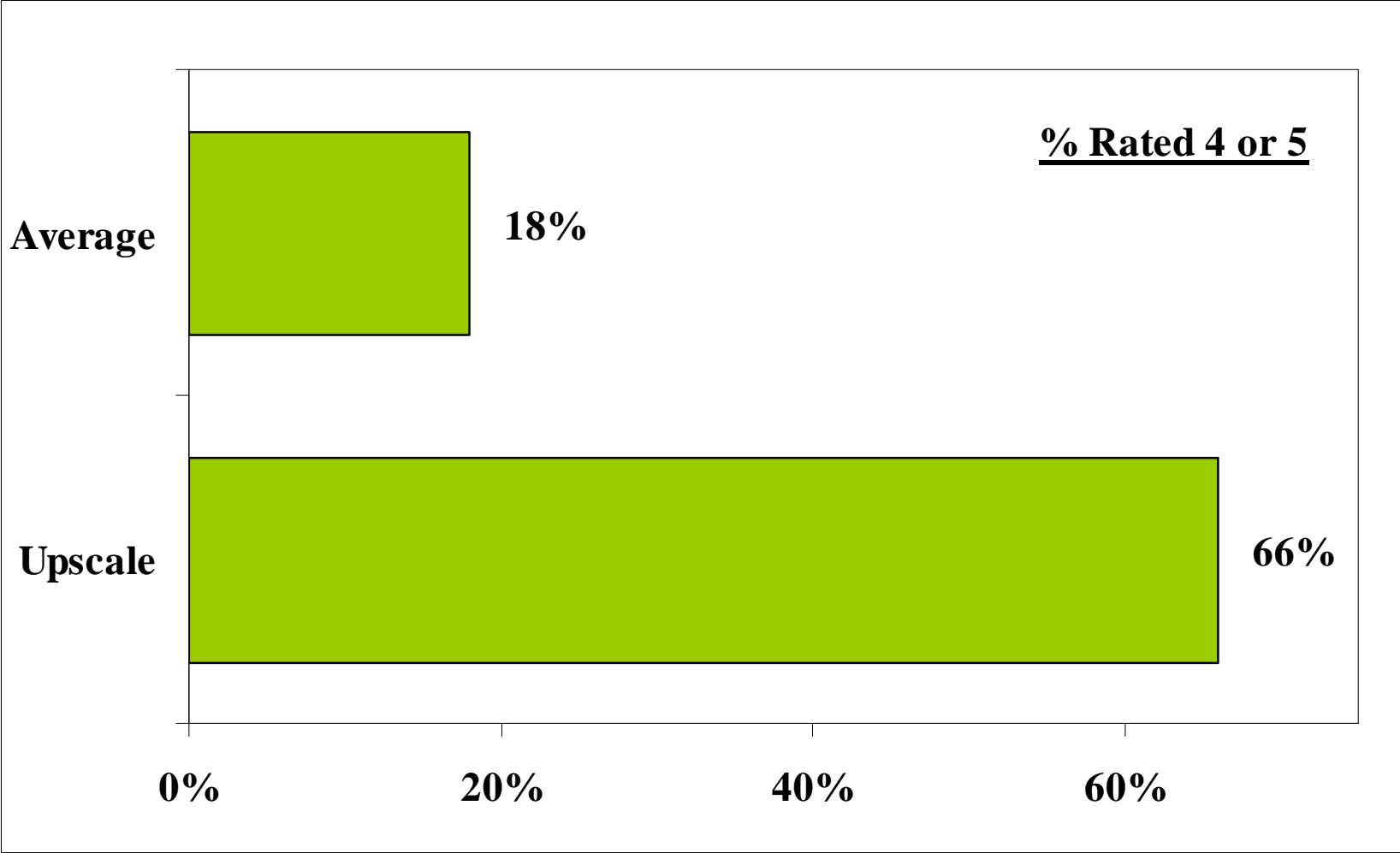


Exhibit 25

Demand for OUTSIDE KITCHEN FEATURES

Rating on a scale 1 to 5: 1= Will not change and 5=Will increase significantly

% rating 4 or 5

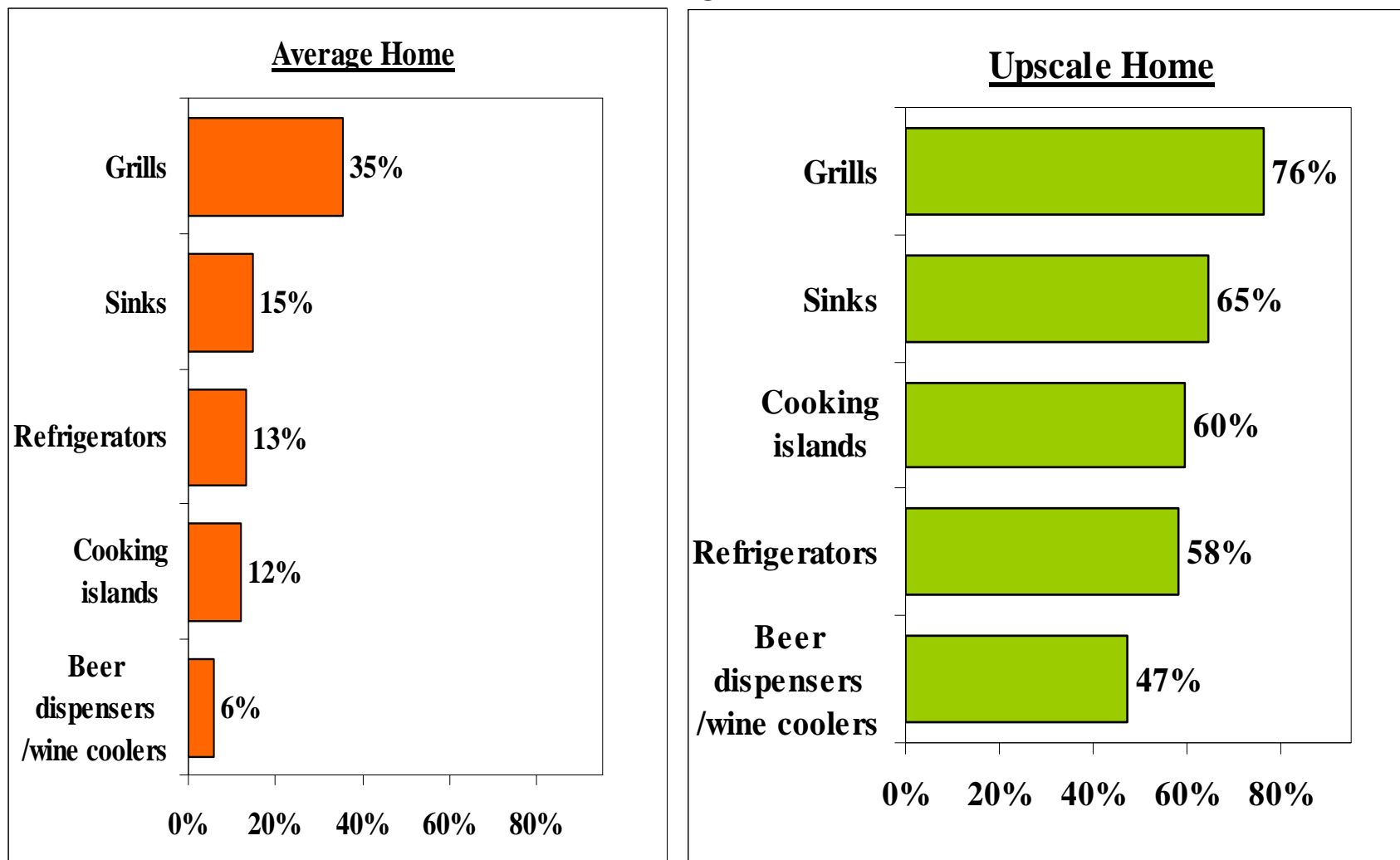


Exhibit 26

Demand for OUTSIDE ROOM FEATURES

Rating on a scale of 1 to 5: 1= will not change, 5= will increase significantly

% rating 4 or 5

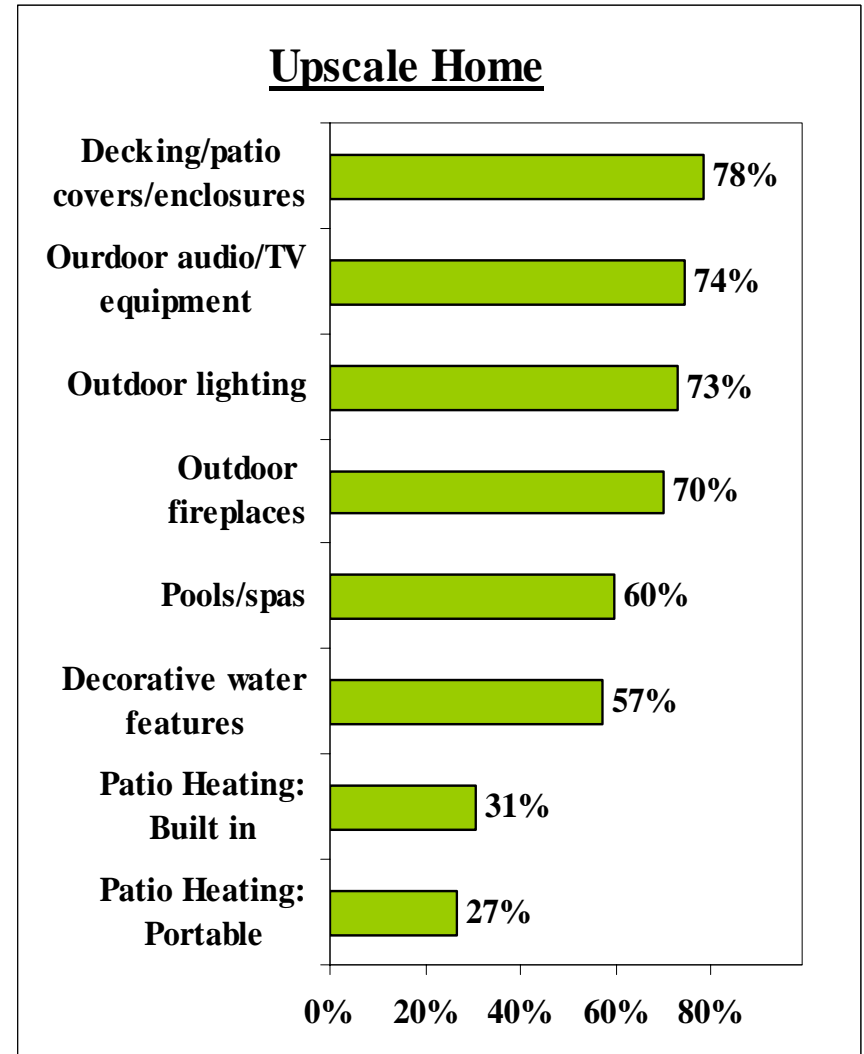
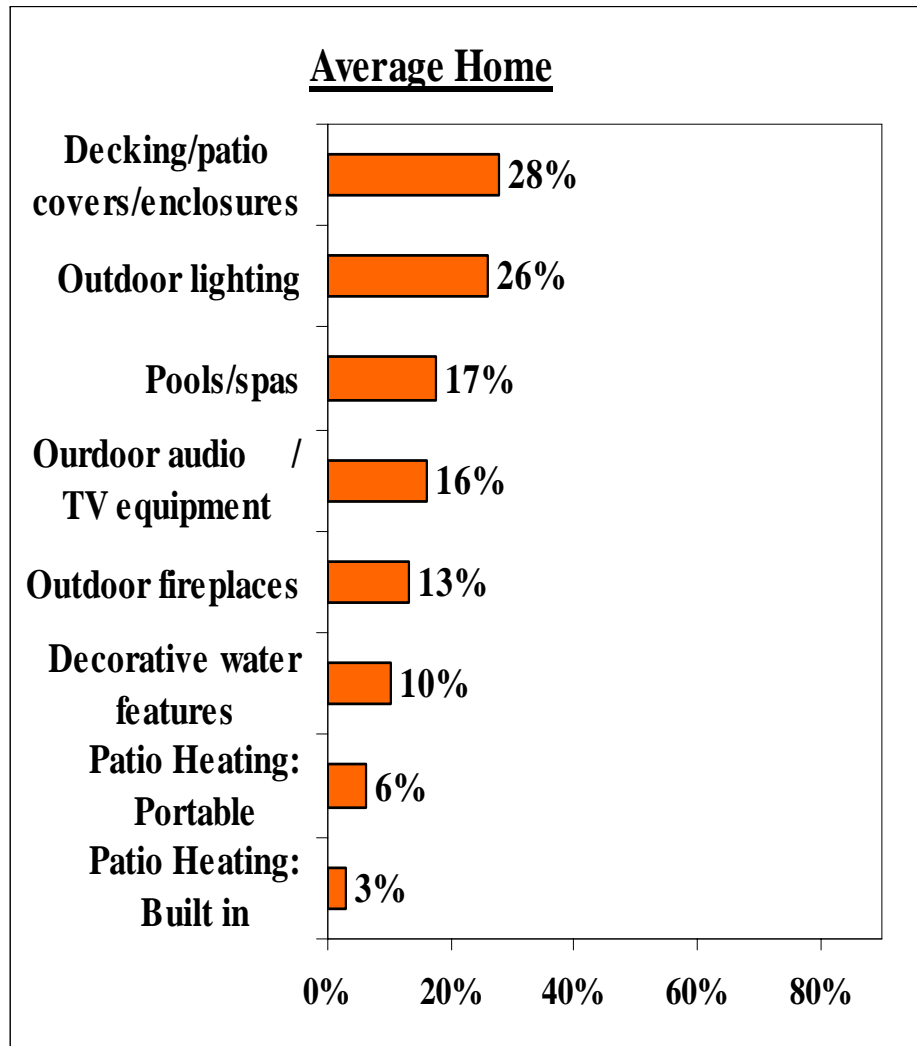


Exhibit 28
Features Offered in the Next 10 Years: Standard vs. Optional

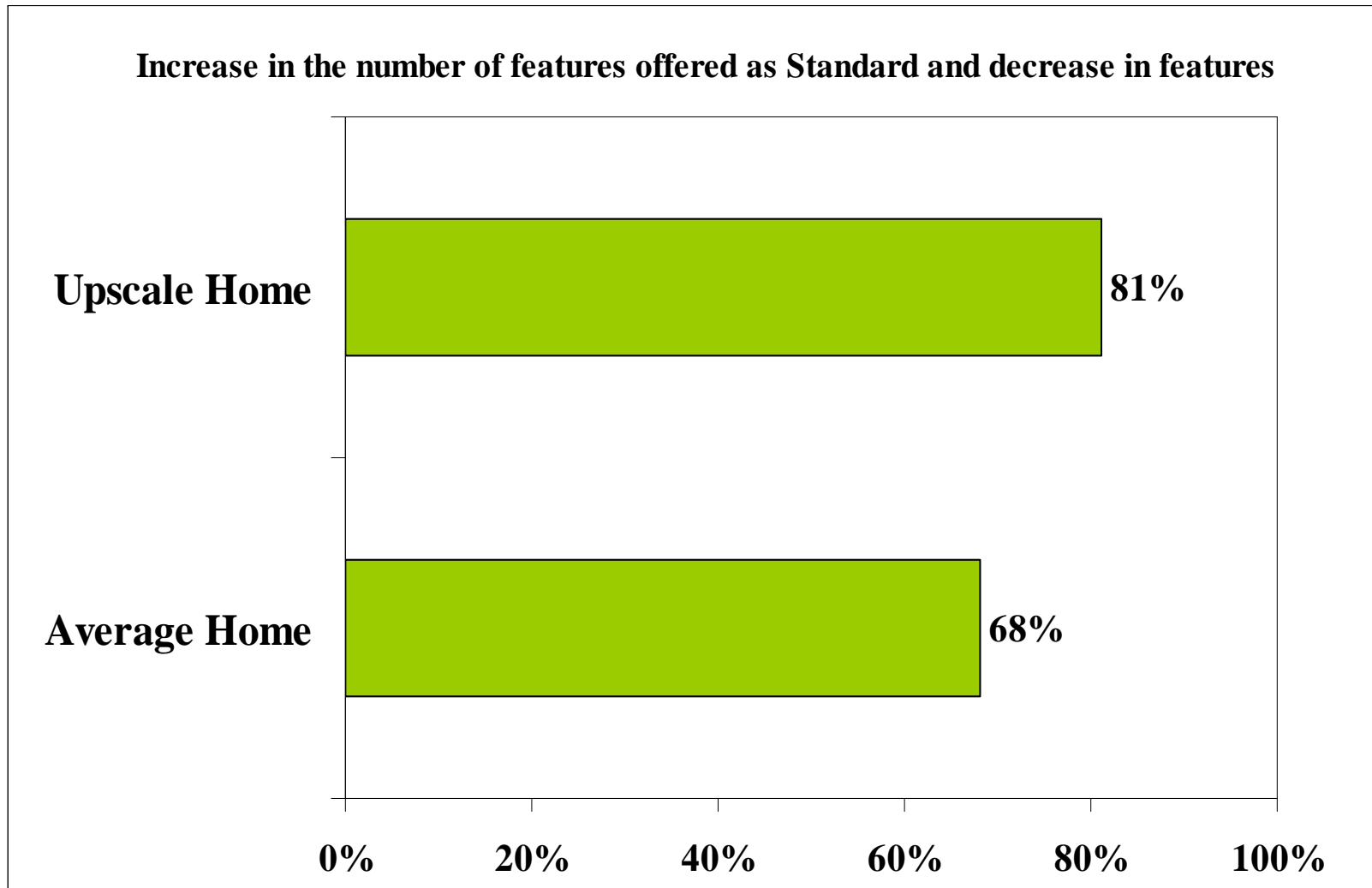


Exhibit 29

Exterior Materials Most Likely to Be Used in 10 Years
Rating on a scale of 1 to 5: 1=most unlikely, 5=most likely
% rating 4 or 5

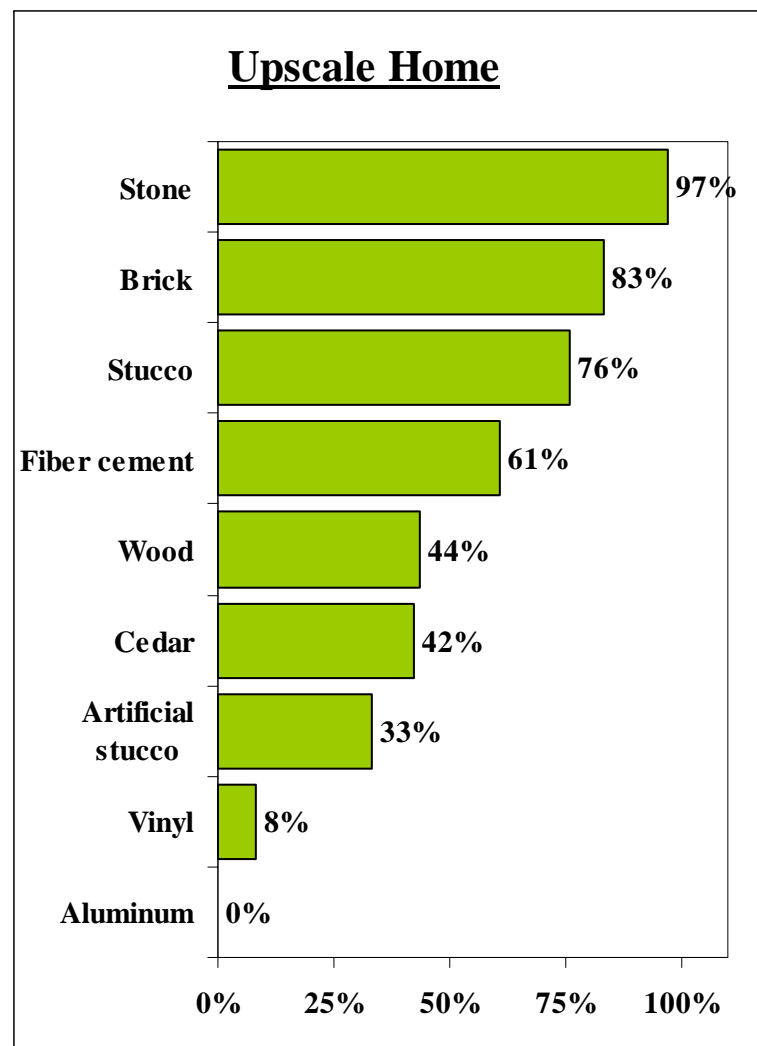
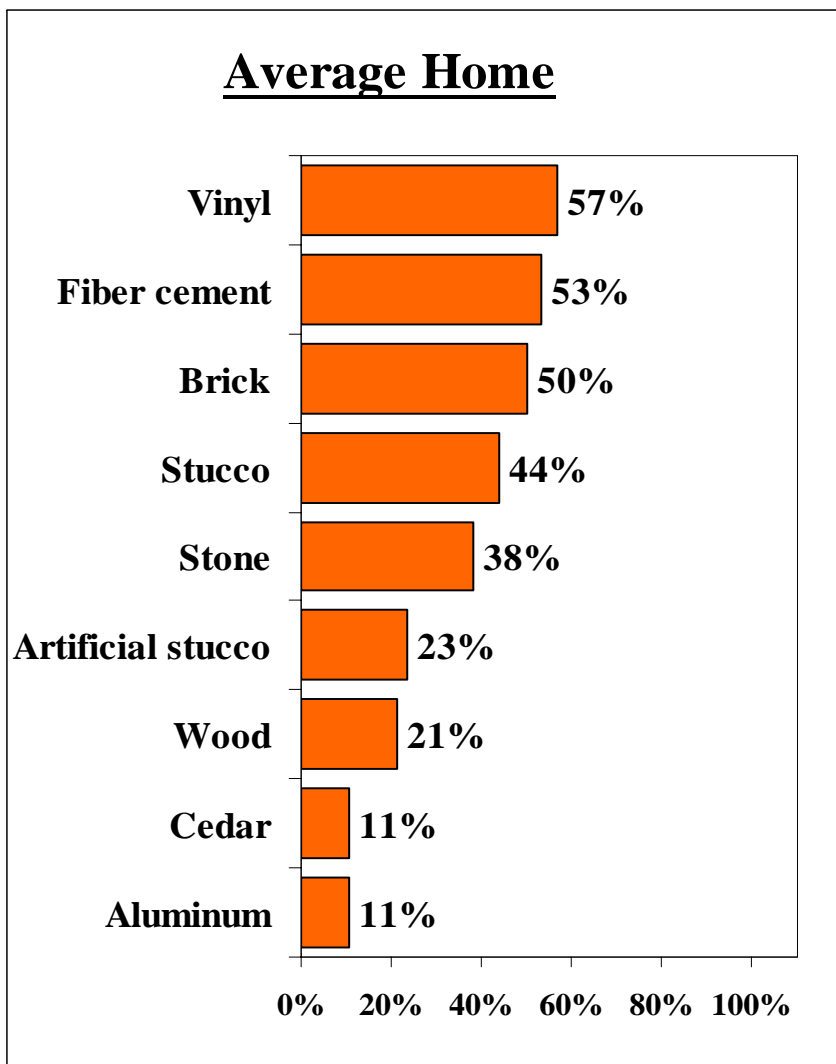


Exhibit 30
Standard Outdoor Features by 2015

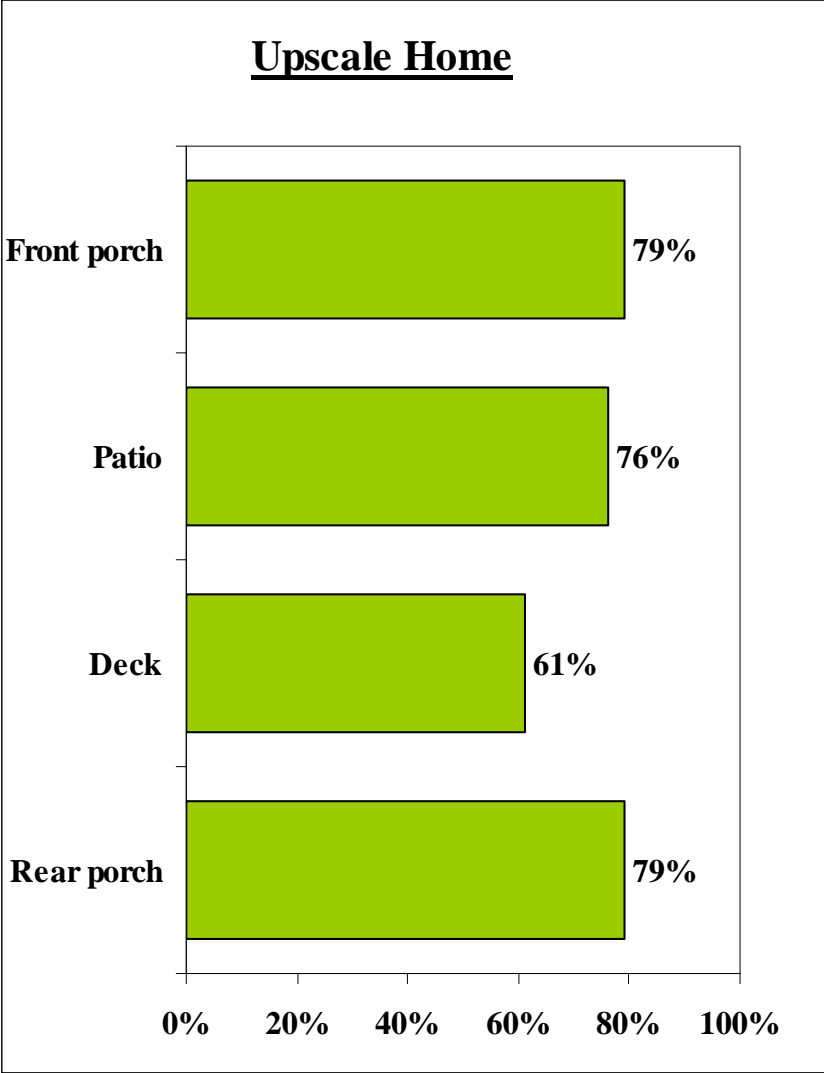
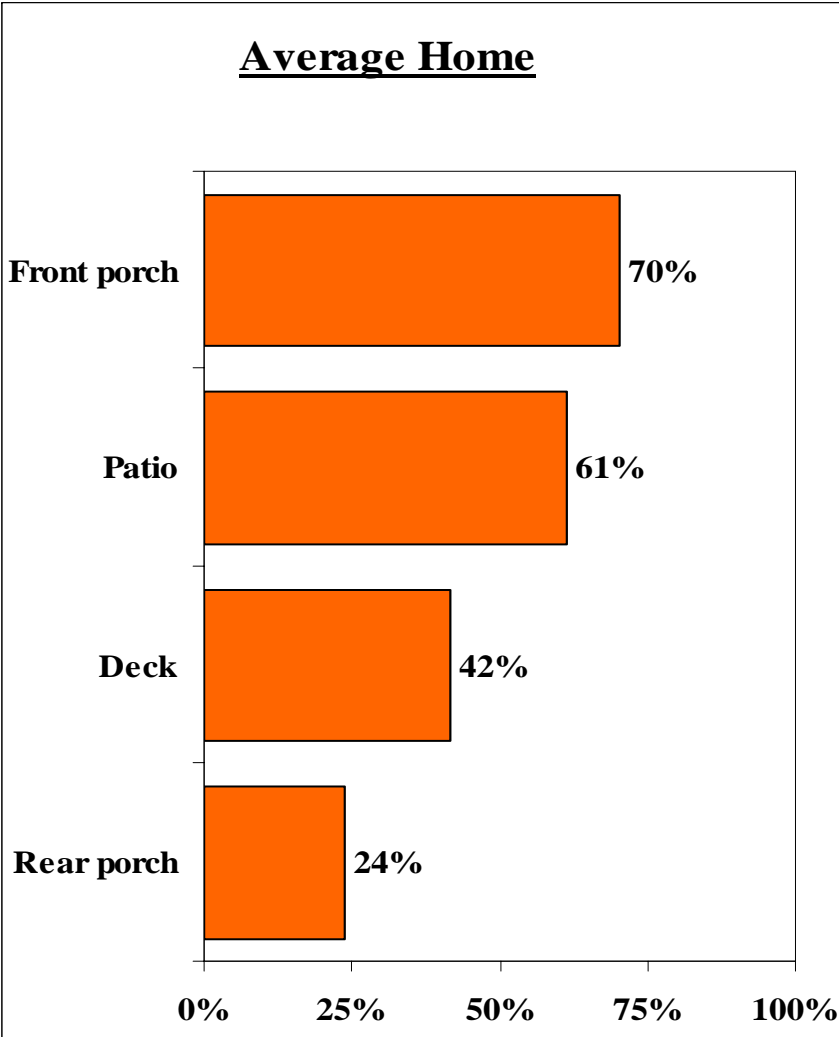
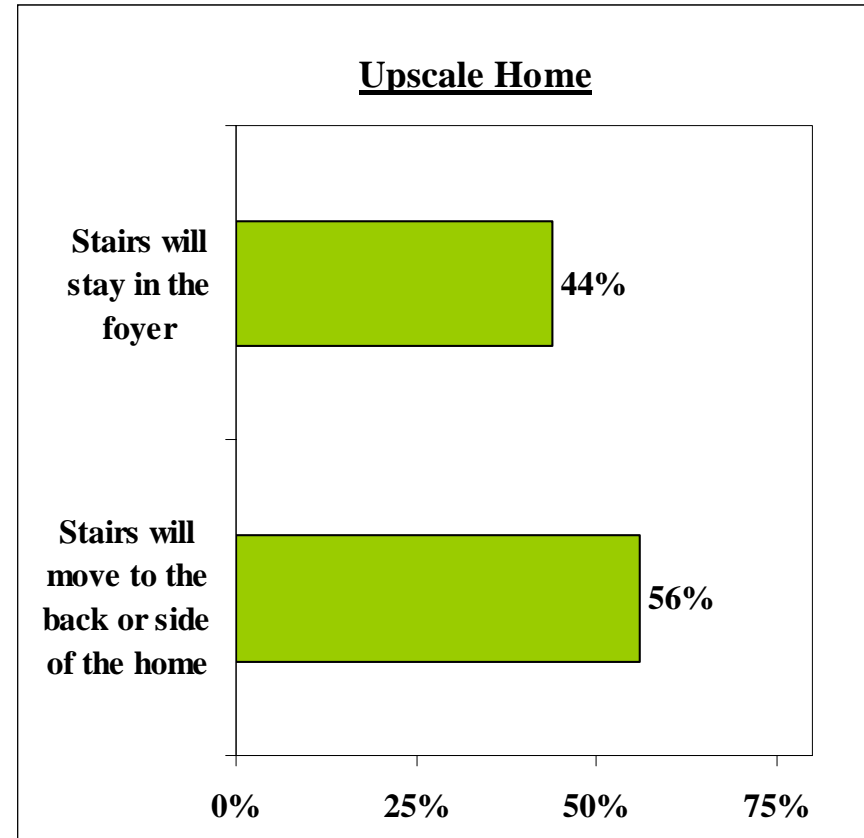
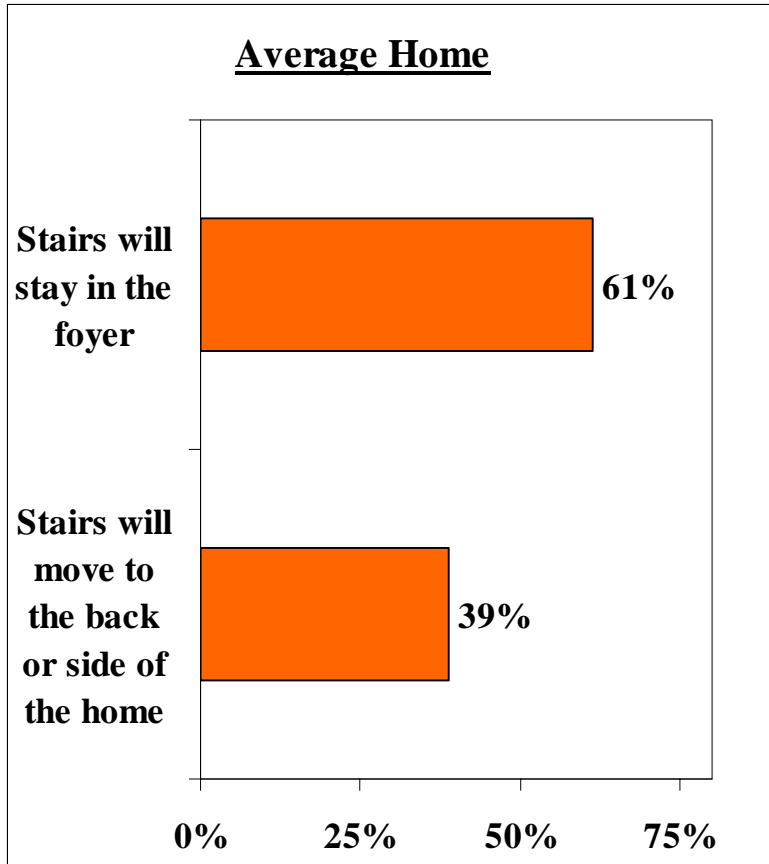


Exhibit 31

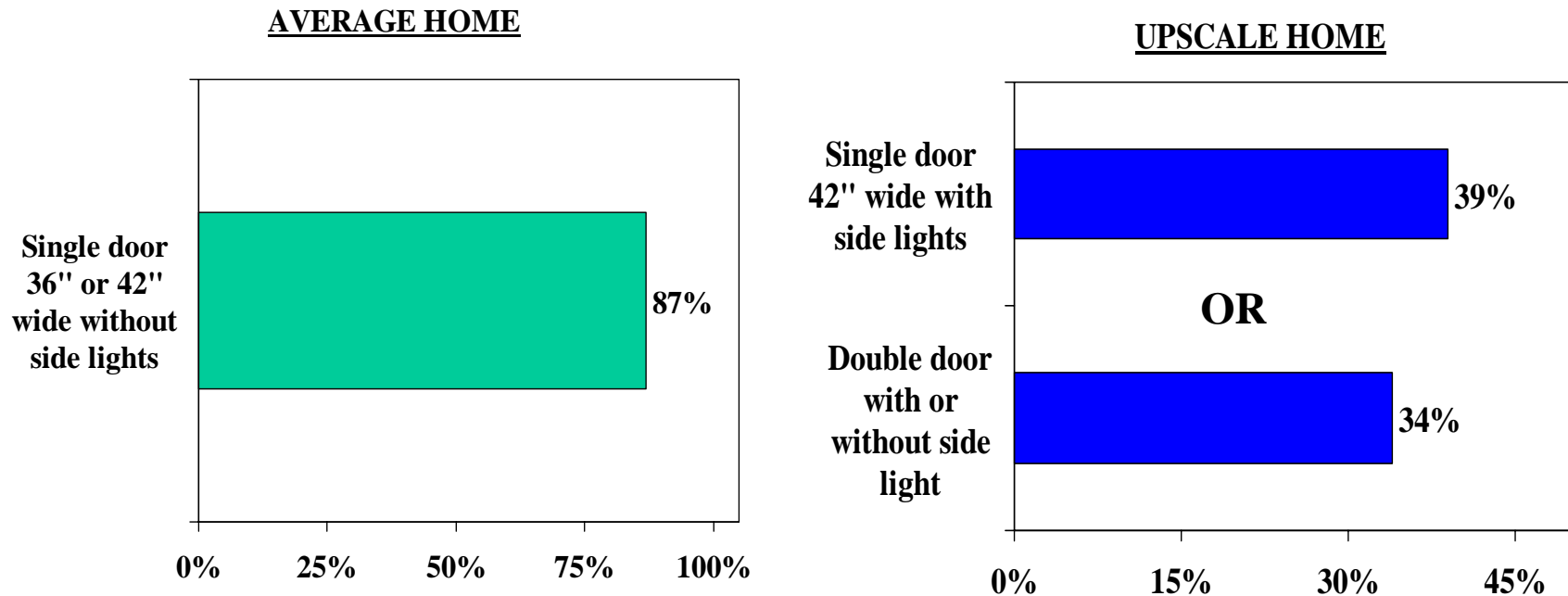
Location of Stairs



- **Stairs will be more functional rather than a piece of decoration.**
- **Upscale homes will have two staircases.**

Exhibit 32

Front Doors by 2015



- **More single doors used in upscale housing, partly because of exterior design.**
- **Door size --- 3' 6" wide doors, looks more elegant will be used extensively in place of a 3' wide door.**
- **Side lights will be used (if there is a room).**
- **Upscale homes will have two side lights and one above the door.**

Exhibit 33

LIGHTING

- **Lighting driven by the market.**
- **Chandelier in the dining and entry foyer**
- **Definite trend towards recessed lighting**
- **Recessed cans more in kitchen, media room, finished basements.**
- **Some unique hanging fixtures designed as artwork.**
- **Industry has not recognized power of mood lighting.**

Exhibit 34
COLORS

- **A trend away from white.**
- **A lot more interest in colors.**
- **Interior of home seeing bolder colors.**

Exhibit 35
Fiber Optic Network by 2015

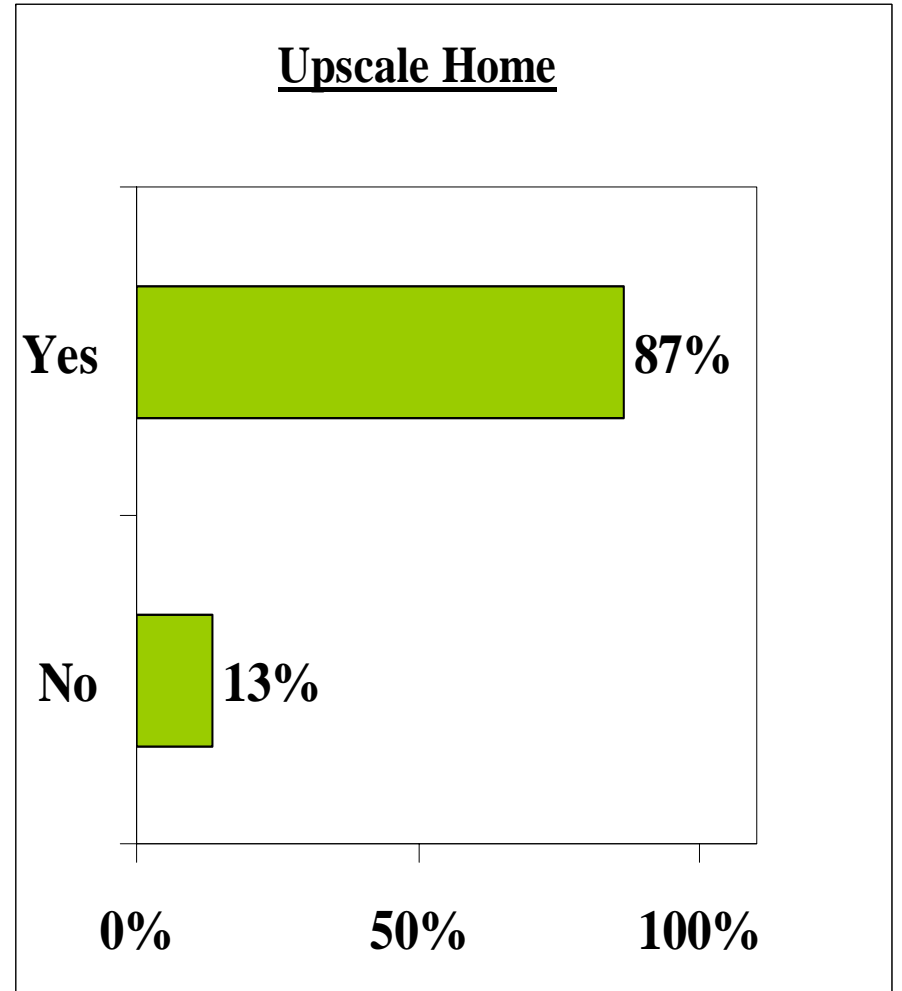
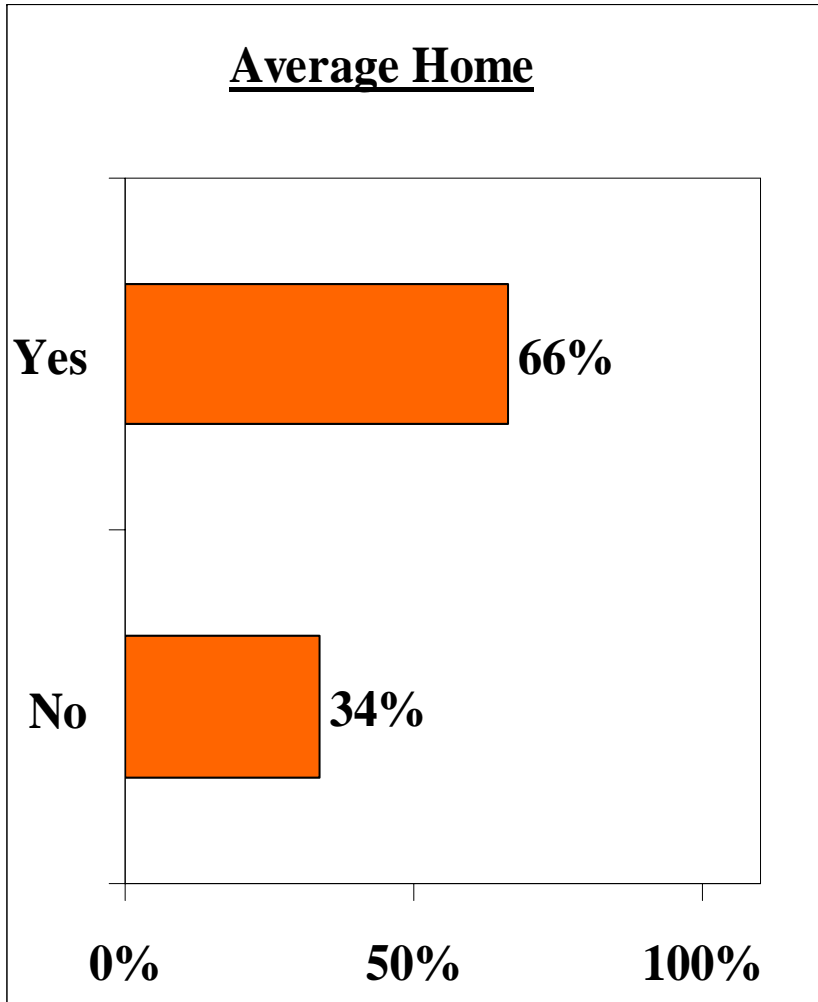
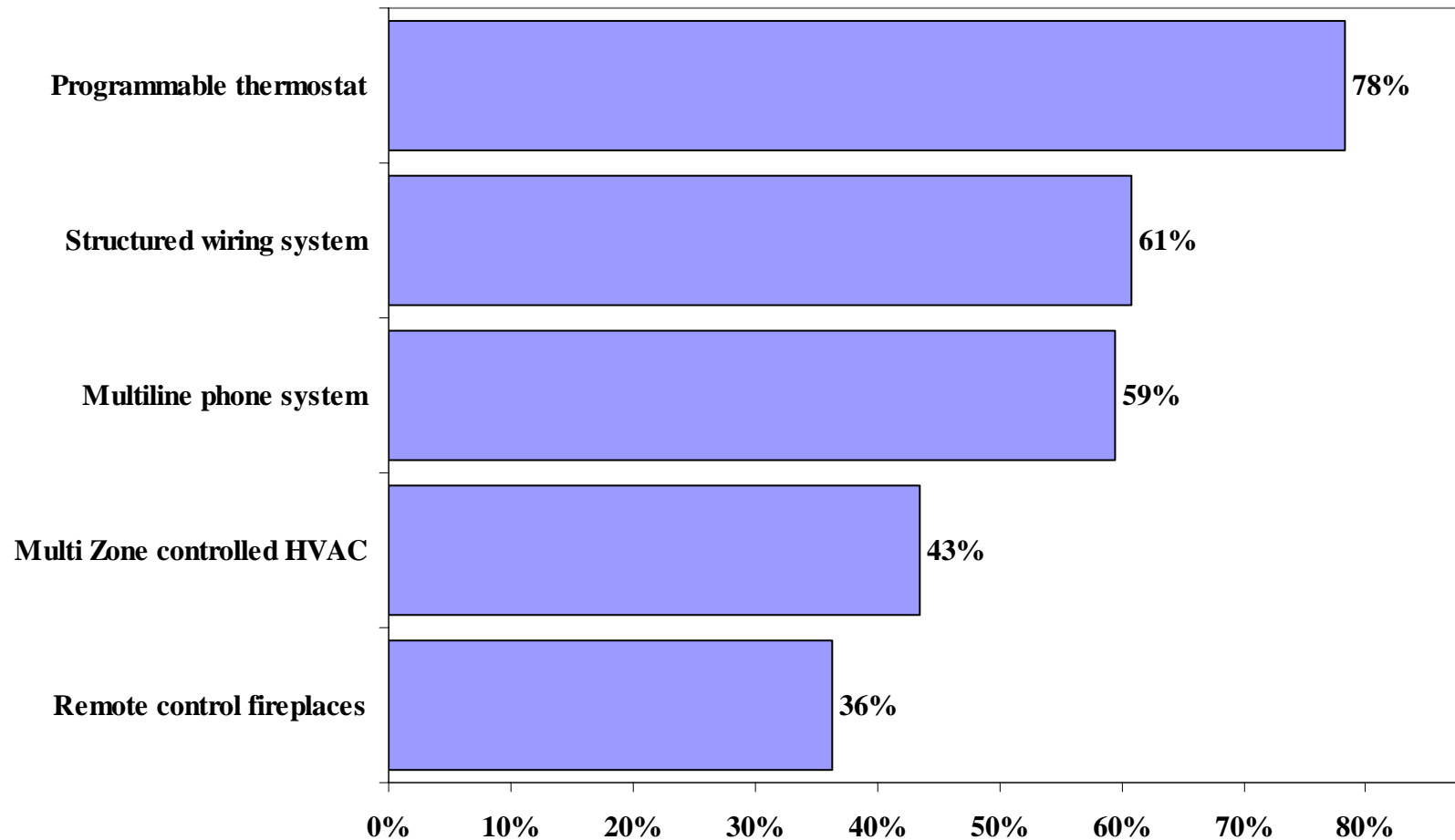


Exhibit 36
Electronic Features Standard in AVERAGE HOME by 2015



Comments

Only basic technology will take hold in average home: security system, automatic lighting control, and energy management system.

Structured wiring is being installed in about 40% of new homes today, but use of wireless technology may enter housing market in big way.

Exhibit 37a

Electronic Features Standard in UPSCALE HOME by 2015

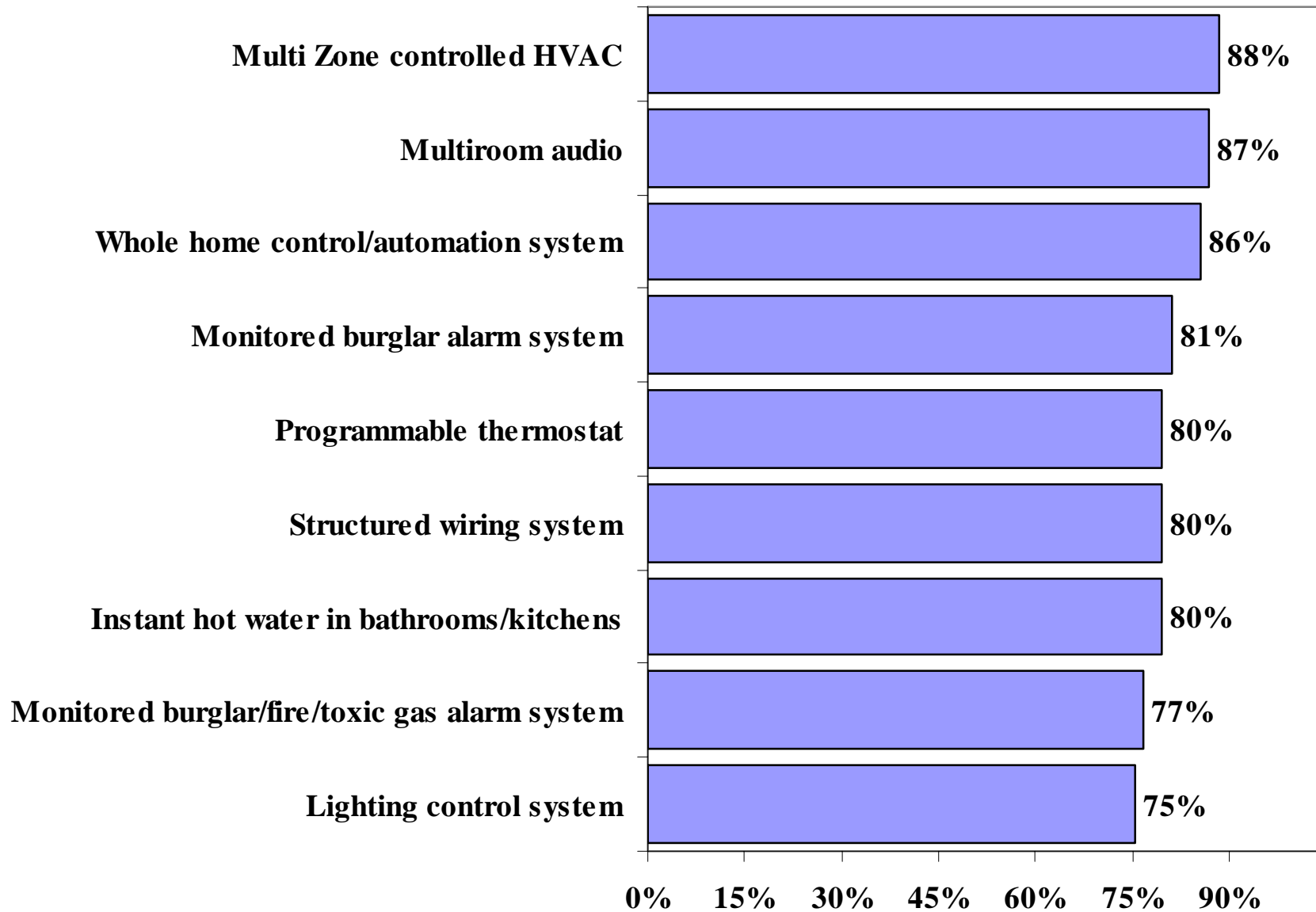


Exhibit 37b
Electronic Features Standard in UPSCALE HOME by 2015

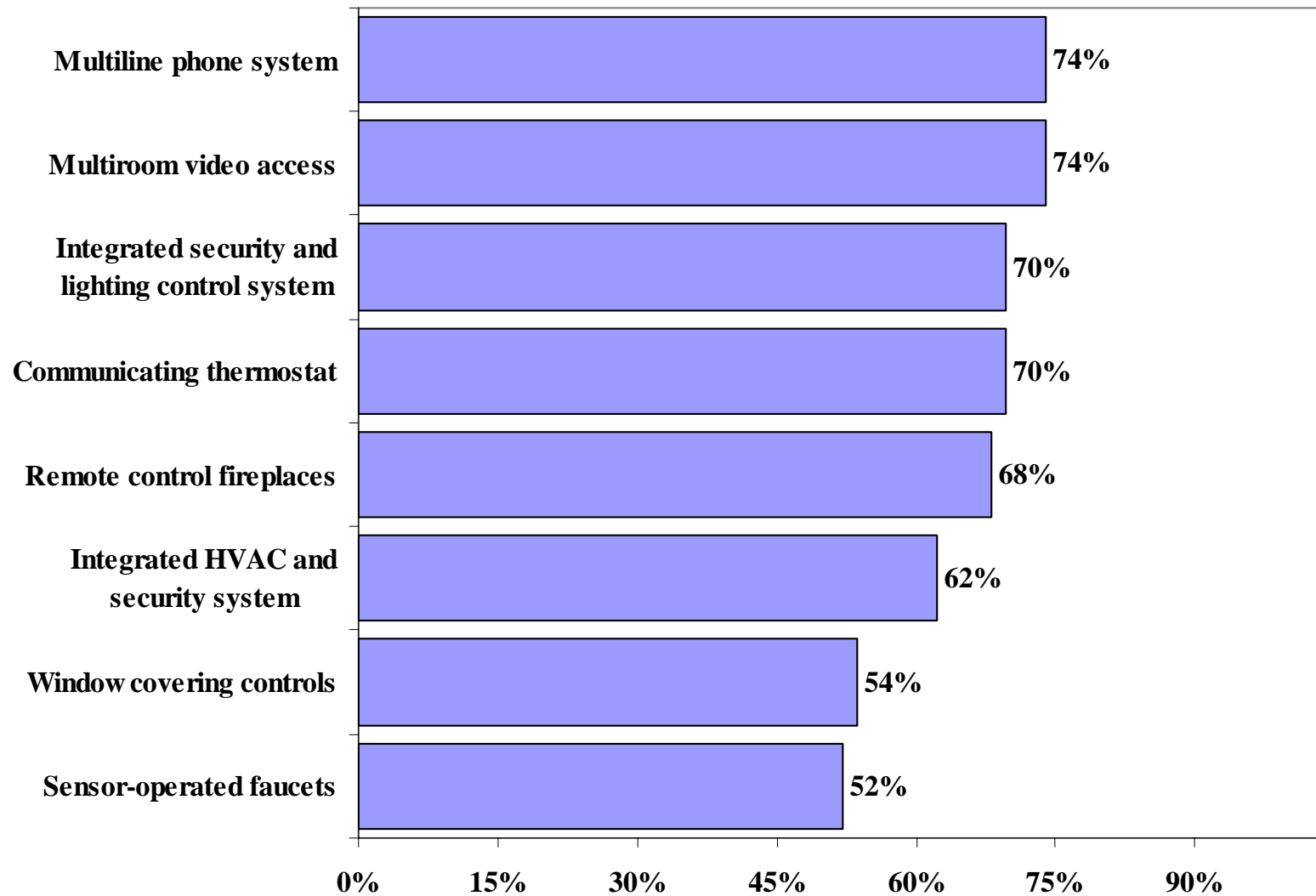


Exhibit 38a
Trends in AVERAGE HOMES Expected in the next 10 years

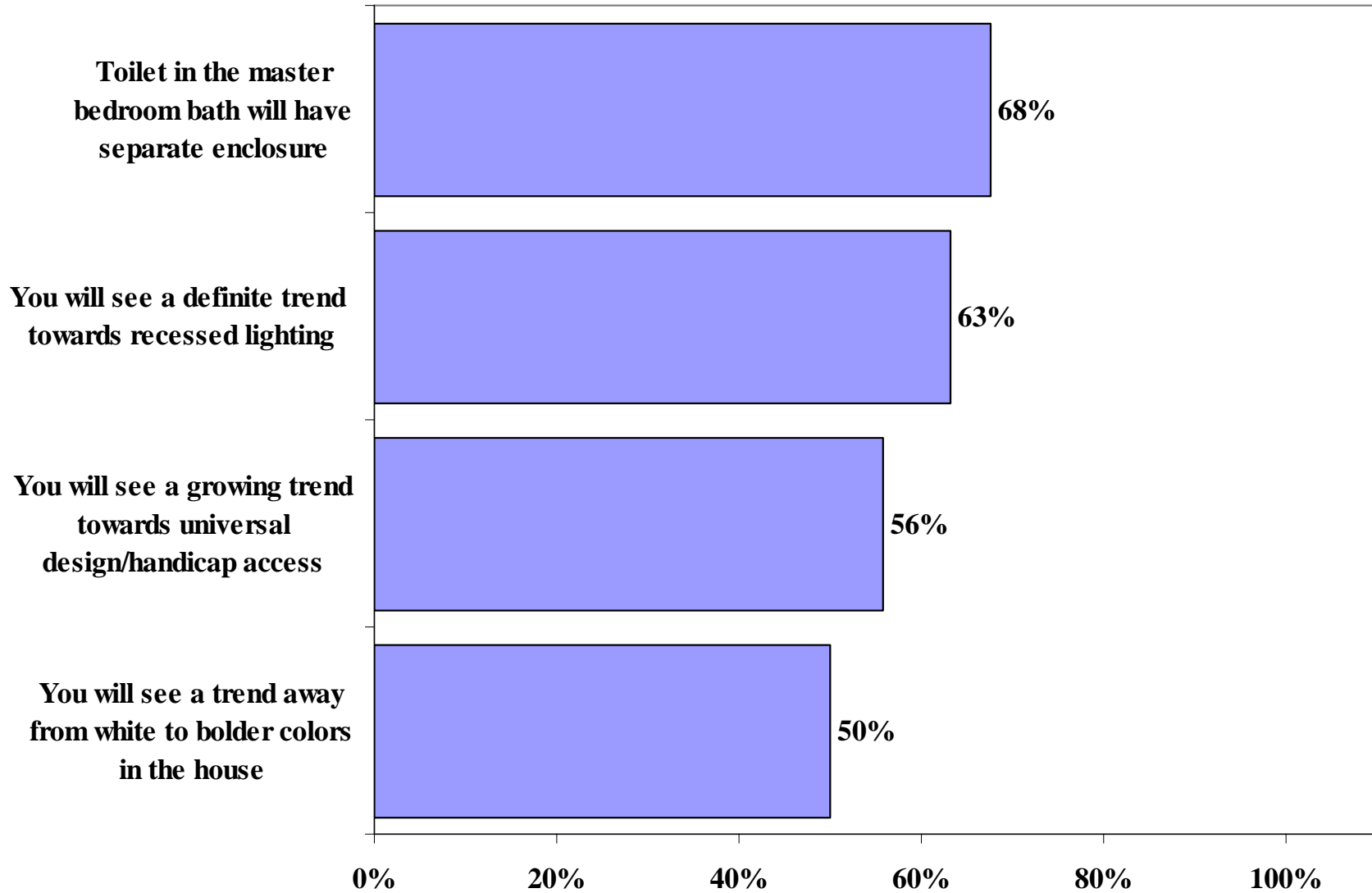


Exhibit 38b
Trends in UPSCALE HOMES Expected in the next 10 years

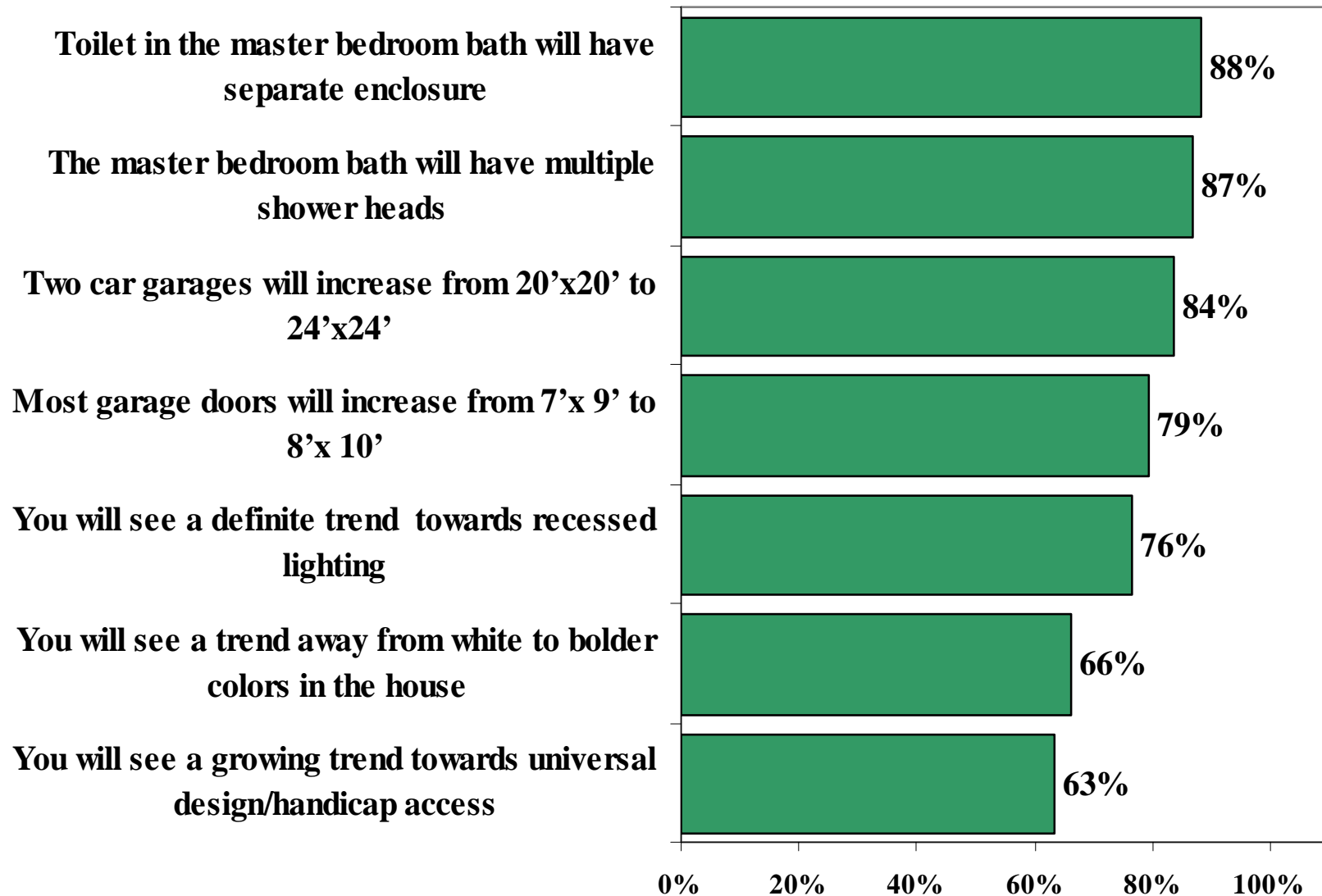


Exhibit 39a
Trends in Neighborhood/Communities Expected in the next 10 years
AVERAGE HOME

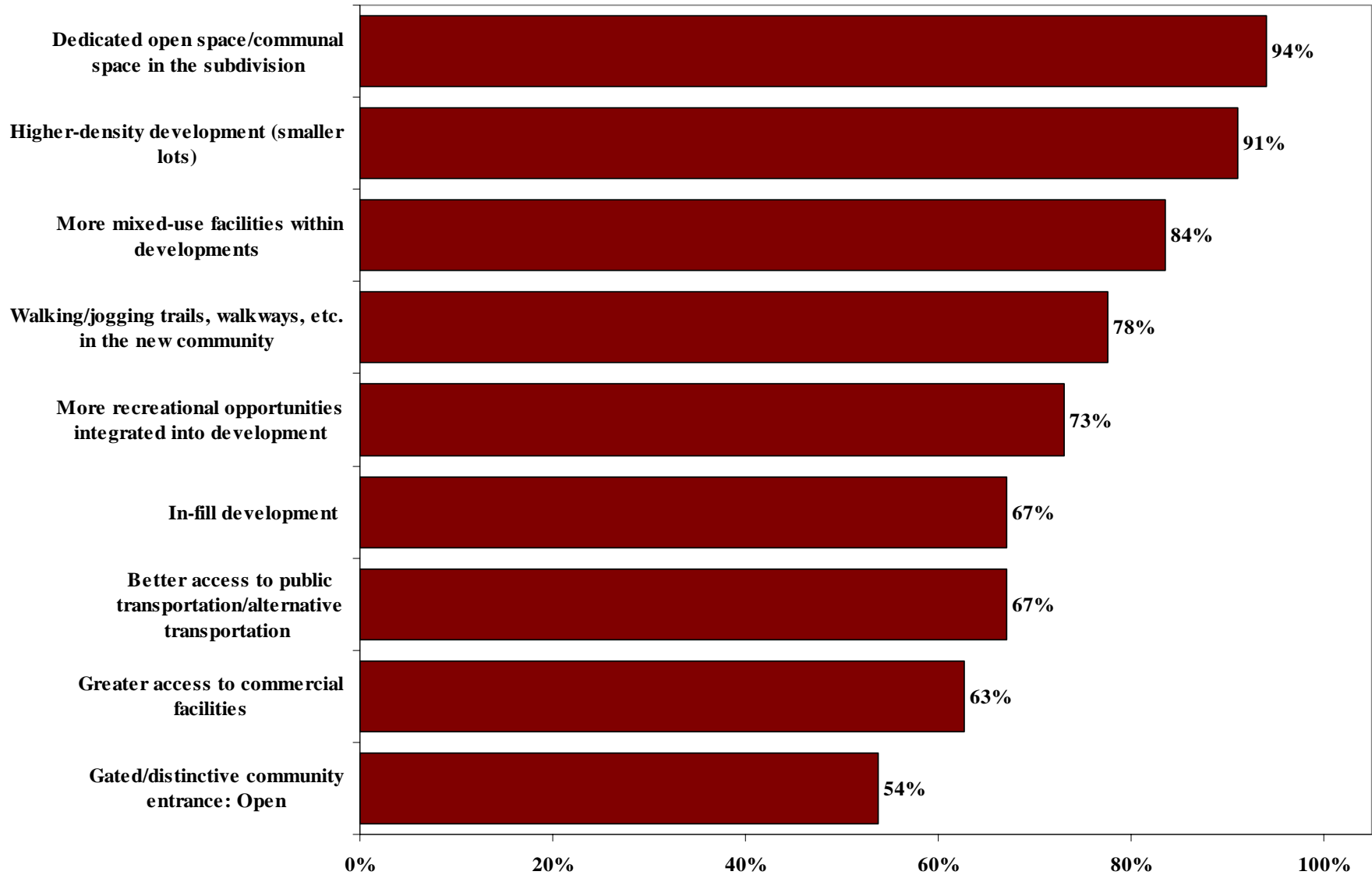


Exhibit 39b
Trends in Neighborhood/Communities Expected in the next 10 years
UPSCALE HOME

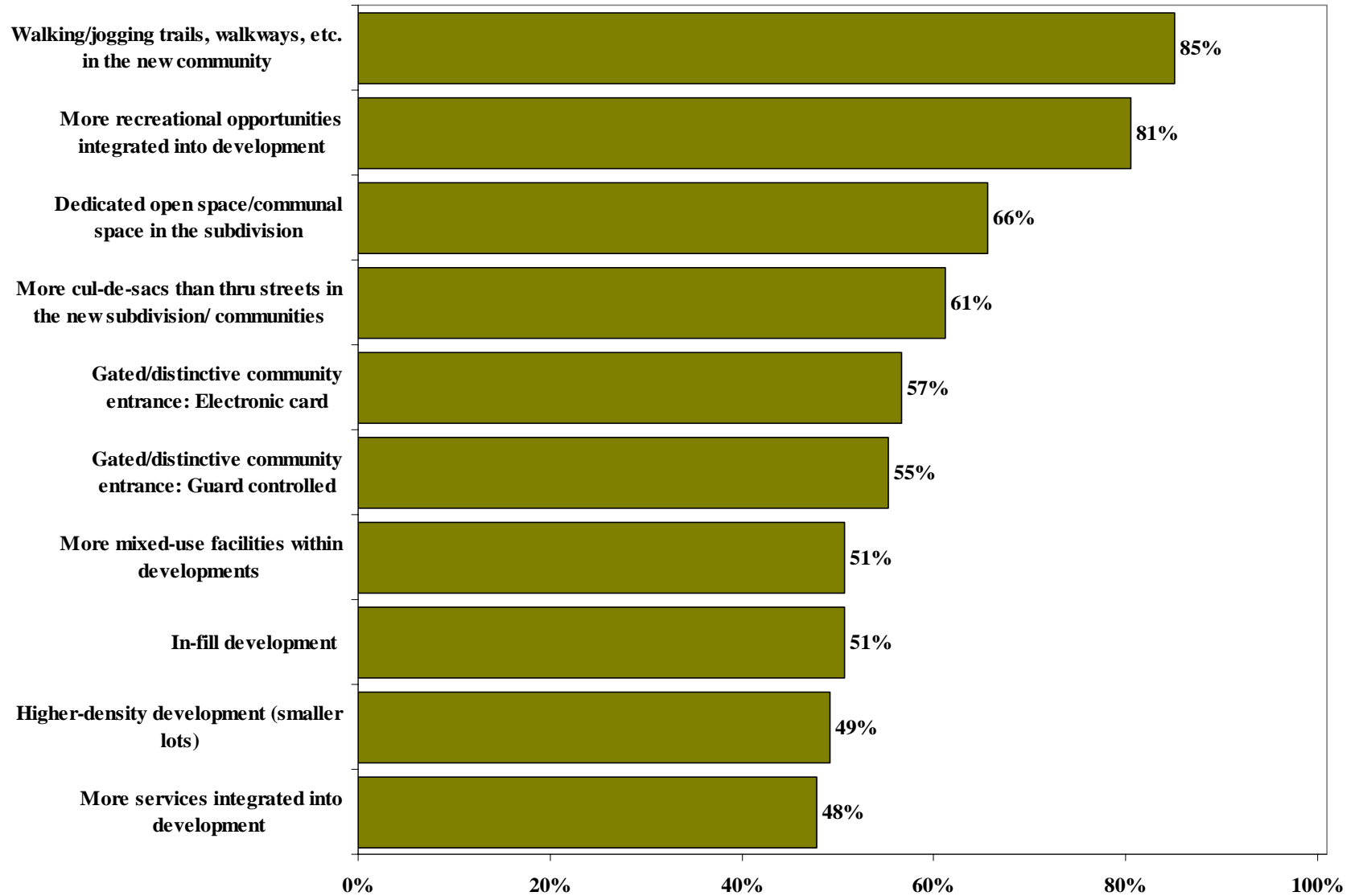


Exhibit 40a
Green Building Trends Expected by 2015

AVERAGE HOME

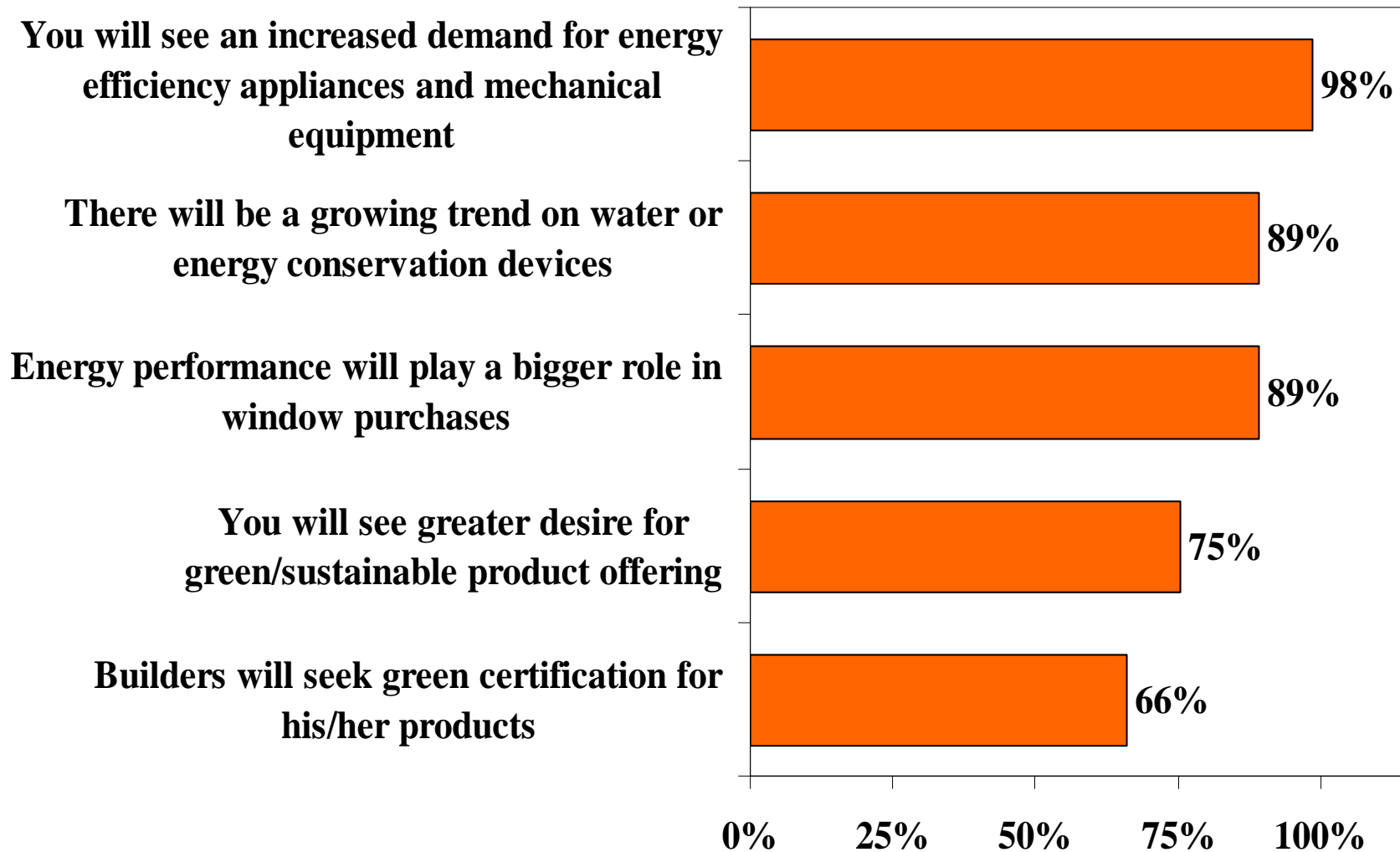
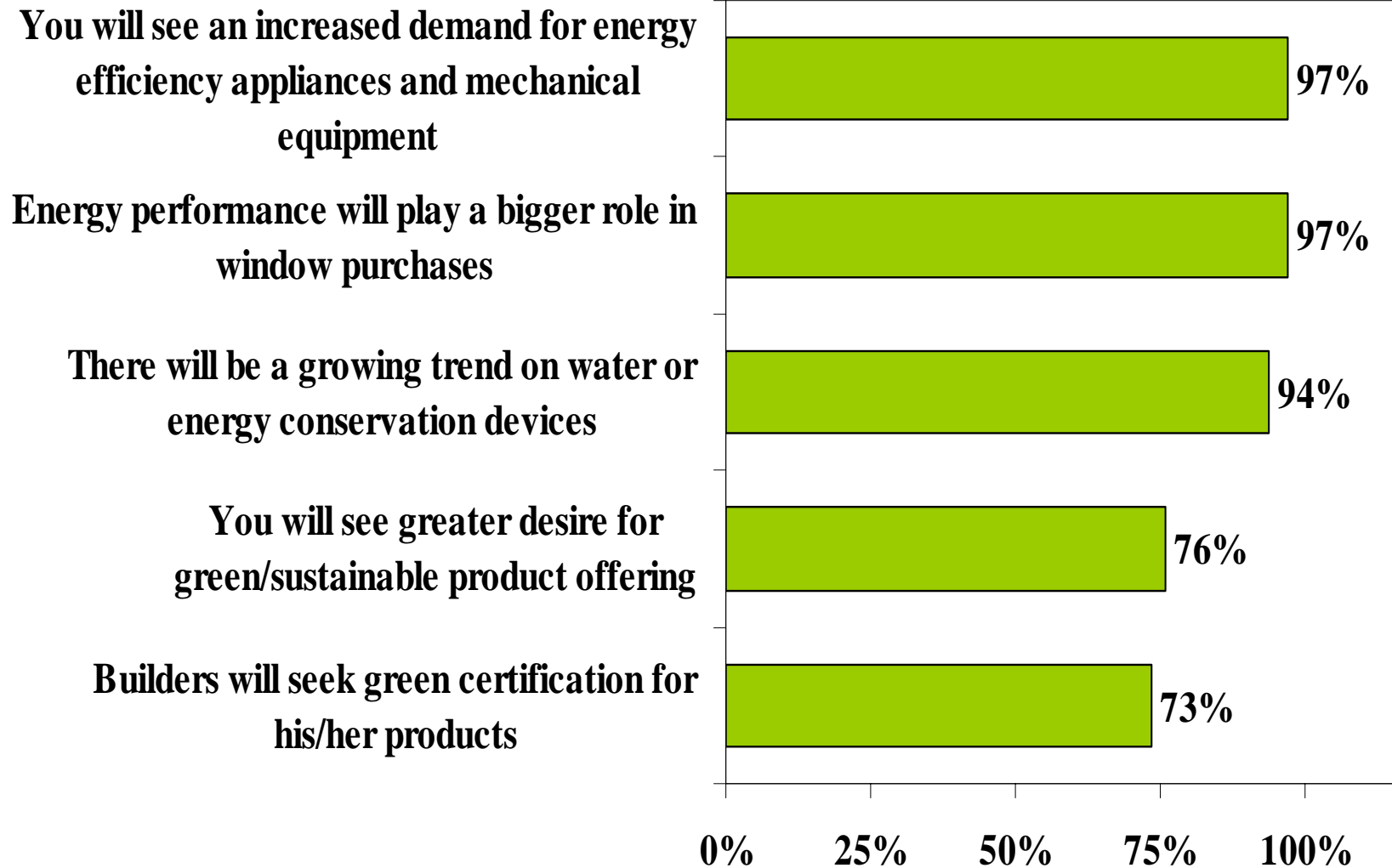


Exhibit 40b
Green Building Trends Expected by 2015

UPSCALE HOME



TRENDS

Exhibit 41

	Average Home	Upscale Home
Average Size	2,330 sq. ft.	>4,000 sq. ft.
Single vs. Two Stories	Two-story	Two-story
Entry Foyer	One-story	One-story
Family Room	One-story	Two-story/One-story
Living Room	Will vanish or become parlor/retreat/library	Will stay as is or become parlor/retreat/library
Ceiling Height	1st floor: 9' 2nd floor: 8'/9'	1st floor: 9' 2nd floor: 9'/10'
Two Master Bedroom Suites	x	√
Outside Kitchen	x	Definitely yes

Exhibit 42

	Average Home	Upscale Home
Outside Kitchen Features	x	√
Grill	x	√
Sinks	x	√
Cooking Island	x	√
Refrigerators	x	√
Beer Dispensers	x	Maybe
Other Outdoor Room Features		
Decking/Patio Covers	x	√
Outdoor Lighting	x	√
Outdoor Audio/TV Equipment	x	√
Outdoor Fireplace	x	√
Pools/Spas	x	√
Decorative Water Features	x	√
Patio Heating	x	x

Exhibit 43

	Average Home	Upscale Home
Bathrooms	Two full one half to Three full one half	Three full one half to Four full one half
Exterior Wall Material	Vinyl Fiber cement Brick	Stone Brick Stucco Fiber cement
Outside Features		
Front Porch	√	√
Rear Porch	x	√
Patio	√	√
Deck	x	√
Stairs	In the foyer	More in the back or side of the home
Front Doors	Single door, 36" or 42" wide	Single door 42" with side lights or Double door with or without side lights
Fiber Optic Network	√	√

Exhibit 44

	Average Home	Upscale Home
Electronic Features		
Programmable Thermostat	√	√
Structured Wiring System	√	√
Multiline Phone System	√	√
Multi Zone Controlled Hvac	x	√
Remote Control Fireplaces	x	√
Instant Hot Water in Bathrooms/Kitchens	x	√
Monitored Burglar Alarm System	x	√
Monitored Burglar/Fire/Toxic Gas Alarm System	x	√
Lighting Control System	x	√
Multiroom Audio	x	√
Multiroom Video Access	x	√
Whole Home Control/Automation System	x	√
Integrated Security and Lighting Control System	x	√
Integrated Hvac and Security System	x	√
Communicating Thermostat	x	√

Exhibit 45

Trends Expected in New Homes in the Next 10 Years	Average Home	Upscale Home
Toilet in the Master Bedroom Bath Will Have Separate Enclosure	√	√
Definite Trend Towards Recessed Lighting	√	√
Growing Trend Towards Universal Design/Handicap Access	√	√
Trend Away From White To Bolder Colors In The House	Divided opinion	√
Two Car Garages Will Increase From 20'X20' To 24'X24'	x	√
Most Garage Doors Will Increase From 7'X 9' To 8'X 10'	x	√
The Master Bedroom Bath Will Have Multiple Shower Heads	x	√

Exhibit 46

Features in New Neighborhood/Communities by 2015	Average Home	Upscale Home
Dedicated Open Space/Communal Space in the Subdivision	√	√
Higher-Density Development (Smaller Lots)	√	x
More Mixed-Use Facilities within Developments	√	x
Walking/Jogging Trails, Walkways, etc. in the New Community	√	√
More Recreational Opportunities Integrated into Development	√	√
More Services Integrated into Development	√	x
Better Access to Public Transportation/Alternative Transportation	√	x
Greater Access to Commercial Facilities	√	x

Exhibit 47

1. Homes by 2015 will generally look like the homes of today or would be very much different (Rated as "somewhat different" to "significantly different")

	Average Home	Upscale Home
Inside of the Home	100%	78%
Outside of the Home	91%	85%

2. Changes to homes in the next decade be more significant/greater than the past 10 years

Yes	40%
About the Same	41%

3. Areas of the home likely to increase, decrease, or stay the same

Average Home	Family room area likely to increase Living room most likely to decrease
Upscale Home	Family room and kitchen area likely to increase

Exhibit 48

4. Top 5 features rated critical to very critical

Average Home	Family room, Low maintenance exteriors, Design, Location and Two-car garage
Upscale Home	Design, Family room, Location, Home office, and Security

5. Top 5 most rated features in kitchen and bathrooms

Average Home	Size, Double sink, Counter space, Cabinet space, and Table space for eating
Upscale Home	Quality of appliances, Double sink, Walk-in pantry, Flooring, Size, Counter Space, and Cabinet Space

6. Increase in the number of features offered as standard

Average Home	Yes
Upscale Home	Yes

Exhibit 49

Average Home Upscale Home

Green Building Trends by 2015

Increased Demand for Energy Efficiency Appliances and Mechanical Equipment

√

√

Growing Trend on Water or Energy Conservation Devices

√

√

Energy Performance Will Play A Bigger Role in Window Purchases

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Greater Desire for Green/Sustainable Product Offering

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Builders Will Seek Green Certification for His/Her Products

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Source: Economics Group 2007 NAHB Study “Home of the Future”